

ALEXANDRIA, VA.
GAZETTE
MAR 15 1973

E - 16,840

Capital Fare

Tully Heard That Bell Ring

By Andrew Tully
The McNaught Syndicate Inc.

WASHINGTON — Testimony by a Central Intelligence Agency analyst that U. S. military officials in Vietnam lied to the public about the strength of Communist forces during the late 1960s rang a bell at this desk because I have some knowledge if not expertise on the subject.

That is to say, I suggested pretty much the same things in a rather exhaustively researched book, "The Super Spies," in 1969 — and suffered (savored?) the wrath of the establishment for my pains.

Samuel A. Adams, a defense witness in the Pentagon papers trial of Daniel Ellsberg and Anthony J. Russo, testified that in 1968 when Communist forces were increasing in Vietnam, official U. S. estimates released to the public were going down. This, said Adams, was done by "removing components" from the enemy's order of battle "to display the enemy as weaker than he actually was."

Adams implied that Gen. Earle E. Wheeler, then chairman of the Joint Chiefs of Staff, and Gen. William C. Westmoreland, then commander in Vietnam, were involved in the falsifications, which he described as "a result of political pressures . . ."

I don't know about that. But, as my book relates, in late 1967 and early 1968 almost every scrap of field intelligence was predicting a major Red offensive in late January of '68. This intelligence, of course, was verified by the Communists' terrifying Tet offensive of January-March.

Intelligence even correctly named the date the offensive would be launched — Jan. 30. A captured enemy document stated that a "general offensive early in 1968" would "emphasize attacks on enemy key units, cities and towns and lines of communication."

Throughout December 1967, and the first weeks of January 1968, Communist documents were captured in bales. They verified reports of native spies that Viet Cong agents and even soldiers in North Vietnamese uniforms were circulating openly in several cities, spreading the promise of "liberation." Again and again, these agents predicted that "the end" could come on Jan. 30.

Ha! At just about that time, General Westmoreland and Ambassador Ellsworth Bunker, our Saigon man, were in Washington radiating optimism for the edification of Congress and the stateside press. Neither of them mentioned the Communist buildup or Jan. 30.

What they told Congress and

Washington newsmen was that the United States was winning the war, that it was steadily wearing down the enemy. They noted the decrease in the rate of infiltration of troops from Hanoi from a peak of 14,000 men in June 1966, to 5,000-6,000 a month. They said soldiers were deserting in increasing numbers from the Viet Cong, that supplies to the VC by sea had been seriously interrupted.

Indeed, Westmoreland predicted that the enemy mostly would use the coming truce during the Tet holidays to build up and resupply his forces. He was pre-occupied with the 40,000 enemy troops reportedly massed around the Marine strongpoint and Khen Sanh, and said everything pointed to a major battle there, with diversionary attacks in other areas.

Well, the reader knows what happened — we almost lost the war during the Tet unpleasantness. Maybe the setback couldn't have been avoided, although I for one won't buy that argument. However, that isn't the point.

Samuel Adams, whose job was to analyze intelligence during the Vietnam war, has confirmed that the military and the White House lied to the people. What effect his testimony will have on the Ellsberg-Russo case is irrelevant in a broader context.

HS/HC- 950

25 MAR 1973

U.S. and Libya

Trouble Again Over The 'Elint'

WASHINGTON — Periodically, over the last 20 years or so, the United States has become involved in international incidents arising out of the "elint"—electronic intelligence—missions that are performed by American reconnaissance ships and planes along the coasts and borders of other countries.

There were the aircraft shot down by the Soviet Union in the 1950's. In the 1960's there were the American destroyers that got involved with North Vietnamese patrol boats in the Gulf of Tonkin, the U.S.S. *Liberty*, attacked by Israel, and the *Pueblo*, captured by North Korea. In 1969 there was the EC-121 that was shot down by North Korea, presenting the Nixon Administration with its first foreign-policy

crisis.

Last week the United States was caught up in an incident with Libya, under circumstances that are still not clear except that they involved a United States Air Force C-130 on a reconnaissance swing over the eastern Mediterranean.

The State Department announced that two Libyan Mirage fighters had intercepted and fired upon an unarmed C-130 82 miles off the Libyan coast. The plane and its crew returned unharmed to a base near Athens. The United States protested to Libya against this "provocative" attack.

The State Department stressed that the plane was always over international waters and had never approached closer than 75 miles to Libya, which claims a 12-mile boundary on its territorial waters. Beyond that, the official account remained fuzzy. But Government sources privately admitted that the C-130 was on an electronic intelligence mission to monitor radio communications and radar frequencies.

Whether the C-130 was snooping on Libyan and Egyptian installations or monitoring Soviet naval units in the area was left unclear. It was also unclear whether the aircraft was on a course headed for the Libyan coast

at the time it was intercepted. But information leaked at the Pentagon suggested that the shooting might not have been completely unprovoked—at least from the Libyan viewpoint.

The Libyan fighters, it appeared, had given the internationally recognized signals to the camouflaged transport to "follow me," and it was only after the C-130 took evasive action—ducking into a cloud formation—that the fighters, on orders from a control tower in Tripoli, opened fire. It was also acknowledged by American officials that Libya last year had declared a "restricted air zone" stretching out 100 miles from Tripoli—a zone the United States told Libya it would not recognize, since it contravened the 1944 Chicago air convention to which Libya is a signatory.

Perhaps there was another aspect to the incident. In the emotional and vengeful atmosphere of the Middle East there might have been some relationship between the Libyans' trigger-happy state and Israel's downing of a Libyan airliner over the Sinai last month. The Libyan Government, one of the most radical in the Arab world, regards the United States as Israel's close ally.

—JOHN W. FINNEY

HS/HC-
Approved

For Release 2001/06/09 : CIA-RDP84-00499R001000110004-0

DETROIT, MICH.
FREE PRESS

M - 530,264
S - 578,254

MAR 20 1973

Too Much Being Junked?

CIA Housecleaning Prompts Protest from the Old Pros

BY TOM BRADEN

WASHINGTON — A house ought to be cleaned after 27 years, which is why President Nixon's appointment of James R. Schlesinger to be director of the Central Intelligence Agency was greeted by veterans of the agency as a wise move. Schlesinger has a reputation as a housecleaner and the house of the CIA has not been cleaned since it was built in 1947.

But the same people who greeted his appointment as a good one because they thought a housecleaning was essential are now saying that Schlesinger doesn't know the difference between a valuable asset and junk.

The director moved very quickly, and it is not surprising that a number of knowledgeable observers think he moved too quickly and are afraid he will continue to do so.

Schlesinger's first move was to fire Bronson Tweedy, a veteran who had been recently placed in charge of coordinating the effort of what is called the intelligence community, as distinct from agency. On paper, the "community" means all the departments and agencies which have anything to do with gathering foreign information. In practice, it means the Department of Defense, which spends the biggest share of the \$5 billion the taxpayers put out each year for intelligence.

To replace Tweedy, Schlesinger installed Maj. Gen. Daniel Graham. CIA veterans shuddered. To put a general in charge of riding herd on the Defense Department seemed to them to be destructive of the President's purposes and of civilian control. Is a general likely to say "no" to generals who are senior to him or on whose goodwill his promotion may one day depend?

Next Schlesinger began lopping heads among the CIA's seniors who compile the na-



Braden

tional estimate — the assessments of capabilities and intentions of other nations. President Nixon is said to think the estimates are wishy-washy, that there is no point in reading long papers which add up to "on the one hand and on the other hand."

CIA veterans are afraid Schlesinger will destroy the objectivity of the estimates. There is always the danger that an intelligence agency will tell a President what its senior officials think a President wants to hear.

Finally, Schlesinger has made it clear during his first meeting with the CIA's top officials that "a lot of heads will roll." The same senior officials are afraid that his next move will be to start chopping the clandestine services. They have been a long time in building and would take long to build again.

No doubt there is deadwood here. A number of professionals have always questioned why the agency had people undercover in countries nobody has inquired about for years. The answer has always been that you never could tell when you would want information which only a man on the spot could provide.

It's difficult to know how to judge the accusations now being made against Schlesinger by people who have served much longer in the field than he. Those who have lived for a long time in a house usually hate to go through a housecleaning. Everything gets moved around and for a time, at least, seems uncomfortable and wrong.

Moreover, it is natural for them to complain that the new director is behaving in a brusque and rude manner. When a favorite chair is taken from its accustomed place, its users often complain that it was taken rudely and without sufficient warning.

In short, Schlesinger may be on the right track despite the sounds of alarm which are coming from those who bloat the agency and care a great deal whether it is effective. But there is a danger in housecleaning. Those old vases stored in the basement could be Ming. A wise housecleaner will seek expert advice before consigning them to the trash.

HS/HC-950

CHICAGO, ILL.
TRIBUNE

M - 767,793
S - 1,016,275

MAR 29 1973

I. T. T. and Chile

Officials of International Telephone and Telegraph Corp., a large conglomerate, have stated in testimony before a Senate subcommittee that the corporation proposed thru the Central Intelligence Agency that \$1 million of its funds be used to head off the ascension of Marxist Salvador Allende as president of Chile in 1970.

The corporation had assets of \$165 million in the country, consisting mainly of a 70 per cent ownership in the Chilean telephone system. One of its vice presidents, William R. Merriam, said that I. T. T. feared that an Allende regime would "steal" its properties. The fear was warranted. President Allende subsequently nationalized I. T. T. holdings and the properties of American copper companies without compensation.

John A. McCone, former director of the C. I. A., now a director of I. T. T., discussed with CIA officials a plan to unite the two opposition parties against Allende's assumption of power. The C. I. A. failed to act and Mr. McCone said that Dr. Henry Kissinger, Presidential adviser on foreign relations, whom he also approached, did not reply to his proposals.

I. T. T. has been a favorite whipping boy for Senate Democratic "liberals" ever since the Justice Department, before last year's Presidential election, settled an antitrust action against the corporation. I. T. T. at the time proposed making a substantial contribution to the Republican National Convention when it was originally scheduled for

San Diego, where the corporation owned a hotel.

An I. T. T. Washington lobbyist, Dita Beard, in a memorandum which came into possession of the Senate, made sweeping claims about her agency in reaching the settlement which put her employer in a questionable light and sought to imply that the Nixon administration had been bought off.

If it were not for this checkered background, the Senate critics would have had less reason to indulge in the present field day over the attempted intervention in Chile. After all, it has traditionally been regarded as a responsibility of the federal government to protect American lives and property abroad. In the past, stern measures have been taken to carry out that responsibility.

Businessmen therefore have a proper right to make approaches to the government in defense of their interests. We wouldn't say I. T. T. has taken the most intelligent approach in asserting this right; but it is only fair to remember that I. T. T. and the government might not have been led to invite the present suspicion of secret conspiracy if earlier governments had not conditioned the world to think that American business interests can be kicked around with impunity. And the same people who encouraged this attitude in the past are in general the ones who now think they can tar I. T. T. and the administration and make political hay all at the same time.

WILMINGTON, DEL.
JOURNAL

E - 89,875

MAR 24 1973

IT'S Million and Chile

Chile does not have much going for itself these days, except the Senate hearings on ITT in Washington.

Senior officials of the ITT are testifying in a glare of publicity, perforce spilling unpleasant truths and making fools of themselves by trying to make fools of their interrogators. ITT had holdings of about \$150 million in Chile before the election of Marxist President Salvador Allende, and all evidence indicates very strongly that ITT first sought to ward off Dr. Allende's election and then, when he was elected, to create economic chaos in Chile.

ITT, it seems, had the support of at least some people in the Central Intelligence Agency, but its various proposals to deal with the "situation" in Chile, even though carried to the level of at least Dr. Henry Kissinger, the President's foreign policy adviser, were given some consideration and then apparently rejected. That should be little cause for satisfaction, however. Of more concern should be the fact that the ITT people had the gall to carry

such proposals to such a level and were able to get some consideration.

On the matter of what the offer of a million dollars by the ITT to the U.S. government was supposed to achieve, the corporation is advancing the novel idea that the money was to be used for "constructive" purposes. John A. McCone, former CIA chief and now a director of ITT, compared his corporation's million-dollar offer to the U.S. government's aid programs for Greece and Turkey, the Marshall Plan, and the Berlin Airlift. "International Communism," he declared, "has said time and again that its objective is the destruction of the free world, economically, politically and militarily."

Yet the same ITT is negotiating with the Soviet Union for expanding its business there. The fact of the matter is that ITT was concerned with its property and profits, not with ideology, and it attempted to confuse its corporate interest with the national interest, doing considerable damage to the latter in the whole ignoble process.

HS/HC-950

NEWS

E - 434,849

MAR 29 1973

Urged action to block Allende: CIA official

By William J. Eaton
Of Our Washington Bureau

WASHINGTON.— The Central Intelligence Agency once proposed action by American companies to create economic chaos in Chile to block the election of Salvador Allende to has testified.

William V. Broe, director of CIA's clandestine services for the Western Hemisphere, said he made the suggestion late in September, 1970, to Edward J. (Ned) Gerrity, senior vice president of International Telephone and Telegraph Corp. Gerrity had testified earlier that he rejected the plan as impractical.

A transcript of Broe's testimony, cleared by the CIA, was made public late Wednesday by a Senate subcommittee on multinational corporations. It was the first known congressional testimony by a CIA agent about a secret operation.

BROE SAID that at one time ITT president Harold S. Geneen had offered the CIA a "substantial" fund to help Al-

lende's leading opponent in Chile. Broe said he turned down that offer.

ITT executives feared that Allende, a Marxist, would nationalize the ITT-owned Chilean telephone company if he became president. He won the election in the Chilean Congress and has moved to take over the ITT-owned company.

Broe, who said he acted with the approval of former CIA Director Richard Helms, testified that he gave Gerrity a list of U.S. companies operating in Chile as possible participants in the economic warfare.

THE CIA plan was presented five days after Allende had been the top vote-getter in the popular election but still required approval from a majority of the Chilean Congress.

"There was a thesis that additional deterioration in the economic situation could influence a number of Christian Democratic congressmen who were planning to vote for Allende," Broe said.

Among other steps, Broe said, he mentioned the possibility of banks not renewing credits in Chile, delays in spending by American-owned companies and delays in deliveries, withdrawal of technical help and pressure to shut the doors of savings and loan associations.

REGARDING the list of U.S. companies, Broe said he told Gerrity that "these were companies that could contribute, providing the economic course was feasible. . . ."

Broe said he met with Geneen on July 16, 1970, before Allende's victory in the popular vote. The meeting was held at the suggestion of John

CIA and a director for ITT, relayed through Helms to Broe, the agent testified.

HERE'S AN excerpt from the transcript:

Sen. Frank Church D-Ida.: Did Mr. Geneen say to you that he was willing to assemble an election fund for one of the Chilean presidential candidates, Mr. Jorge E. Alessandri?

Broe: Yes, he did.

Church: Did you explain to Mr. Geneen why the CIA could not accept such a fund?

Broe: I told him we could not absorb the funds and serve as a funding channel. I also told him that the U.S. government was not supporting any candidate in the Chilean election.

Church: During the discussion did Mr. Geneen at any time indicate that the fund . . . was intended for constructive use, technical assistance to agriculture, the building of houses or anything of that character?

Broe: No, it was to support Jorge Alessandri.

Other ITT executives have said the ITT had offered to put up \$1 million for social programs, housing and technical aid to influence the outcome of the Chilean elections.

Geneen has been summoned to testify Monday.

HS/HC-950

BRIDGEPORT, CONN.
POST

E - 82,722
S - 85,633

MAR 23 1973

ITT Returns

A year ago "ITT" meant the same thing as "Watergate" does today: a major embarrassment for the Nixon Administration.

With the return of ITT (International Telephone and Telegraph Corporation) to the headlines alongside Watergate, the government has a double headache.

A House investigating subcommittee is probing essentially the same questions as the Senate Judiciary Committee last year: Why did the Justice Department drop its anti-trust suit against ITT? Did the company exercise undue influence on government officials? Did it receive special consideration?

The investigators want some ITT files now in possession of the Justice Department. So far they have been turned down.

According to the subcommittee, the files tell of ITT communication with such figures as Vice President Spiro T. Agnew, Domestic Adviser John Ehrlichman, former Secretary of the Treasury John Connally, and former Secretary of Commerce Peter G. Peterson.

Some of the same names that have been popping up in the Watergate case appear here as well: former Attorney General John Mitchell, fund raiser and former Secretary of Commerce Maurice Stans, and Charles W. Colson, one-time special counsel to the President.

The Justice Department is on the spot. Since Mr. Mitchell and present Attorney General Richard Kleindienst both are involved in the case, suspicion about Justice's desire to bring the facts to light is bound to grow until a full disclosure of the records is made.

ITT is also on a hot seat in the Senate. There another subcommittee is investigating the corporation's alleged attempts to interfere in the politics of Chile.

At issue is a \$1 million offer made by ITT board chairman Harold S. Geneen to the CIA and the White House. The money was to be used to prevent the election of Marxist Salvador Allende as Chile's president. A go-between in this instance was John A. McCone, former CIA head, now an ITT director. So using a one-time government official to influence his former agency must be regarded as questionable practice.

Company documents and testimony by ITT Vice President William R. Merriam also tell of an 18-point plan the firm tried to sell the government. Its object was to bring about economic collapse in Chile and the ouster of President Allende after he had seized an ITT subsidiary without making compensation.

ITT had a legitimate grievance against Mr. Allende. But the means it chose to combat him were improper and excessive. A company has an inflated idea of its own importance when it asks the United States to interfere with another country's elections and to bring that nation to its knees economically. To the Administration's credit, no evidence has been produced to suggest it bought either idea.

But the very fact the conglomerate could make such proposals confirms that it has become too powerful and influential for the good of this country.

WACO, IOWA

THE BIBLE

W 2 450,061

S - 515,710

MAR 27 1973

Firms Without a Country

Newspaper readers are gaining a more detailed picture of the maneuvers of the International Telephone and Telegraph Corp. in the inner sanctums of the federal government.

John A. McCone, former head of the Central Intelligence Agency, told a Senate committee that he had transmitted an offer by ITT to help finance an effort to block the election of Chilean President Salvador Allende in 1970. McCone said he carried the offer personally to Richard Helms, then head of CIA, and to Henry Kissinger, presidential foreign affairs adviser.

ITT was afraid that its telephone company and other property in Chile would be confiscated by the left wing Allende regime. McCone, former head of the CIA and still very influential in both the government and the Republican party, was a logical choice to make the appeal to the government—especially since he is also a director of ITT.

Meddling in the Chilean election by financing opposition to Allende could have backfired on the U.S. throughout Latin America. It is revealing that ITT officers thought they could drag the government into such an imperialistic operation.

The enormous pressure exerted by ITT on high officials of government to get approval of a merger it wanted with a cash-loaded insurance company has also been exposed by the Senate committee. (The pressure was successful.)

You could get the impression that ITT moves in to get its way with the U.S. government in much the same way that big international companies long have operated with governments in undeveloped areas. There is a certain disdain for officialdom and a ruthlessness that ignores laws and codes of ethical behavior.

ITP is not different, we suspect, from many other multinational companies which have been growing so rapidly in

recent years. These companies, whether their headquarters are in London, Paris or New York, operate about the same. Their managers are the true internationalists, with little or no allegiance to any country.

The big Japanese cities may be an exception, so far, since they seem to follow directions of their government religiously. Or is it the other way around?

One of the clearest illustrations of the non-national attitudes of the international companies is shown in their shifting of funds around during the disruption of monetary markets. In the recent run against the dollar, a Frankfurt banker estimated that 60 per cent of the sales of dollars were by IBM, ITT, Volkswagen, Nestle and such firms. The so-called American companies do not hesitate to shift cash balances in ways that handicap the U.S. government efforts to stabilize the dollar.

There is no loyalty to U.S. policy in Latin America, either—only to U.S. government action that will help the companies.

The French and some other Europeans have worried about U.S. companies coming in and dominating their economy--economic imperialism, they call it. But the biggest firms do not seem to operate with bias toward any country. Contrary to Marxist theory, they don't act as partners with imperialist governments. They simply go out to make a buck for themselves.

The International companies don't worry about the political system of a country they operate in. Just so it is stable and can keep order. Even some Communist countries may fill the bill.

It would be ironical if large, capitalistic business corporations should turn out to be the most powerful instruments for creating "one world." Some people think so. They are becoming more influential, certainly, in world economic affairs than many governments.

COURIER JOURNAL

MAR 24 1973

M - 239,949

S - 350,303

Former CIA director has a blind spot for ITT's policy

The greatness of a nation is measured by more than its power and its economic might. It is measured also by the respect for that country in all the capitals of the globe. Respect for a nation is the most important factor it can have, and respect for the United States of America has fallen to its lowest point in our history.

FOUR YEARS after that brooding exhortation of the American voter, President Nixon returned to the campaign podium to declare victory over the nation's image problem. "Throughout the world today, America is respected," he said last November.

One can only speculate whether, as he spoke those words, the dust from the activities of International Telephone & Telegraph Corporation — in trying to manipulate the 1970 Chilean election — was ticklish on his tongue. Certainly now that ITT's million-dollar offer in 1970 — to back any American government effort against the election of Marxist Salvador Allende Gossens as president of Chile — has been exposed in a congressional hearing, Mr. Nixon's claims about the American image abroad must taste like dust.

To Mr. Nixon's credit, the ITT offer was not accepted. But for leaders around the world who know of ITT's 1972 offer to spend hundreds of thousands of dollars to help finance the President's ritual nominating convention, the fear of American economic imperialism undoubtedly has been reinforced.

It did nothing to calm those fears when John McCone (former Central Intelligence Agency director and present ITT board member, for heaven's sake) characterized ITT's million-dollar offer as something akin to the Marshall Plan and the Berlin airlift. He might as well have claimed the Spanish-American War was fought on principle, not expedience.

Rejected other offers

Not content to describe ITT's Chilean involvement as defensible, Mr. McCone also volunteered the observation that as head of the CIA he had received similar offers from other American corporations, although each had been "summarily rejected." It's curious that Mr. McCone saw nothing extraordinarily wrong with the ITT offer, while he felt called upon to tell the congressmen that similar earlier offers had been "summarily" dismissed by his agency.

Perhaps Mr. McCone simply believes — with respect to Mr. Allende's takeover of ITT's \$150 million Chilean telephone subsidiary — that Chilean policy violates a notion once advanced by Preside

United States is one of benevolent assimilation." Perhaps he doesn't see that Mr. Allende just substituted "Chile" for "United States" and put the McKinley Doctrine to work.

Of course more is involved here than the spectacle of an international corporation trying to cozen the U.S. government or the spectacle of Mr. McCone defending the indefensible. An equally serious question is whether such activities as ITT's meddling tend to remove foreign policy from the control of

Congress. Senator Church was so upset by the notion of private financing of America's foreign involvements that he suggested a law to prevent it.

That's one of the things the Senate inquiry into corporate influence in U.S. foreign policy ought to consider. Economic blackmail is never a very attractive or useful building-block for foreign policy. Much less is it a rational choice when the blackmail is directed at achieving narrow, private gains — such as forcing Mr. Allende to pay more for the telephone company he took.

The temptation is to counsel the Senate committee to speed its investigation, before ITT rents its document shredder to other companies whose activities have yet to be examined. But then ITT itself should have had plenty of time to eliminate the evidence, before it was leaked. Which leads to the conclusion that ITT officials simply thought they could get by with disclosure of their Chilean initiatives because the public wouldn't understand or wouldn't care.

Joseph Conrad wrote about imperialism when he observed, in *Heart of Darkness*, "The conquest of the earth, which mostly means taking it away from those who have a different complexion or slightly flatter noses than ourselves, is not a pretty thing when you look into it." Neither is corporate arrogance.

NEW YORK, N.Y.

POST

EVENING - 623,245
WEEKEND - 354,797

MAR 27 1973

CIA's Broe To Testify About ITT

By JOHN S. LANG

N. Y. Post Correspondent

WASHINGTON — The CIA, breaking its tradition of silence at all costs, sent a top secret agent to the Senate today to answer charges that he schemed with ITT to destroy the economy of Chile.

William C. Broe, Western hemisphere chief for what is known as the CIA's "department of dirty tricks," was scheduled to testify before a closed session of a Senate foreign relations subcommittee.

The CIA agreed to let the Senate release Broe's testimony to the public as soon as the agency could "sanitize" it of government secrets—perhaps by later today.

Never before in its history has the CIA allowed one of its agents to testify about the agency's activities.

Taxpayers' Tab

Edward Gerrity, the senior vice president of ITT, testified last week that Broe came to his New York office and slipped him a detailed plot to stop Salvador Allende from becoming president of Chile by threatening the nation's economy.

Another ITT vice president, William R. Merriam, admitted to the Senate meeting privately with Broe and discussing plans to incite the Chilean armed forces to rebel against Allende when he became President.

ITT officials have sworn they did not join with the CIA in plotting against Allende's government, although they have admitted that they feared Allende would seize all their Chilean property worth \$150 million, when elected.

After becoming President, Allende did expropriate \$92.6 million worth of ITT's property in Chile. Unless it is shown that ITT provoked the takeover, American taxpayers will have to reimburse ITT for its losses under the terms of an insurance policy it held with the U. S. government.

While ITT officials admitted discussing plans to thwart Allende's Presidency "at all costs," they implied that the plot originated with the CIA and swore they never seriously considered joining the scheme.

Capitol Hill sources say, however, that the Senate investigation will show that the CIA furnished such plans to ITT only after the company applied pressure on the agency through the White House.

Previous testimony has shown that Broe furnished the plan after ITT officials met privately with former Attorney General John Mitchell and with White House aides Henry Kissinger, John Ehrlichman and Charles Colson.

Probe Told

ITT Chief

Met U.S. Spy

Examiner News Services

WASHINGTON — President Harold Geneen of International Telephone & Telegraph Corp., met with a top U.S. government spy boss in a Washington hotel in 1970, an ITT vice president told Senate investigators today.

He confirmed that ITT tried to get U.S. government action to threaten President Salvador Allende with economic collapse in Chile.

The official, ITT Vice President William R. Merriam, testified before a Senate foreign relations subcommittee.

Merriam testified that the meeting with the spy took place July 26, 1970, at a time when ITT officials were said to be attempting to block the election of Allende.

Subject Unknown

Merriam said he did not know what Geneen discussed during the 25-minute meeting with William V. Broe, chief of Clandestine Services, Western Hemisphere, Directorate of Plans, Central Intelligence Agency.

But ITT, in a statement, denied that it had done anything improper in Chile and had "simply petitioned the U.S. government to take steps that would protect

ITT's rights in the Chile Telephone Company of which it owned 70 percent."

Merriam testified that ITT sought to apply pressure in 1971 through the White House Office of presidential adviser Dr. Henry Kissinger and the State Department to suspend U.S. foreign aid to Chile, deny International Bank loans and apply other economic sanctions.

The objective, he said, was to get the government of Chile to pay for expropriated property, which in the case of ITT involved the Chile Telephone Co.

Merriam said his company made the objective explicit to the State Department 25 times but "they didn't do it."

He acknowledged that a memorandum from a company official making 18 suggestions for U.S. government action represented the company's desire. "If Allende was faced with economic collapse he might be more agreeable to pay for expropriated property," Merriam explained.

He acknowledged that he, as head of ITT's Washington office in 1970-71, headed an ad hoc committee of other multinational corporation Washington representatives with similar objectives in Chile. He identified the other companies as Anaconda and Kennecott Copper, W. R. Grace, Kaiser Chemical and Ralston Purina.

Merriam testified that he and other ITT officials made contacts with White House aides John Ehrlichman and Charles Colson and other

high ranking Nixon administration officials.

Merriam said he did not know who arranged the meeting between Broe and Geneen at the Sheraton Carlton Hotel. He said he escorted Geneen to the hotel, where the ITT president introduced him to Broe as the "head of the Latin American division" of the CIA.

Merriam said he left the two men at the elevator and waited in the lobby. Geneen emerged 25 minutes later and instructed him to "keep in touch" with Broe, Merriam testified.

Merriam said that under Geneen's instructions after the meeting, he kept in contact with Broe.

He said he furnished Broe with a copy of a cable from Hal Hendrix and Bob Berrellez, ITT Latin American

public relations officials, outlining a series of "recommendations" resulting from ITT fear of expropriation of ITT's Chilean properties should Allende become president.

The recommendations included, Merriam said, that "we and other U.S. firms in Chile pump some advertising" into the Mercurio newspaper chain opposing Allende; that "we help with getting some propaganda working again on radio and television," that pressure be brought on the U.S. Information Service in Washington to start moving Mercurio editorials around Latin America and into Europe; and that the European press be urged to "get the story of what disaster could fall on Chile if Allende & Co. win this country."

CIA Admits Giving ITT Ideas on

By JEREMIAH O'LEARY
Star-News Staff Writer

The Central Intelligence Agency has admitted, through the testimony of one of its agents to Senate investigators, that it generated and passed to ITT a series of ideas for disrupting the economy of Chile during the crucial Chilean election period in 1970.

William V. Broe, former chief of CIA clandestine services in the Western Hemisphere, told the Senate subcommittee on multinational corporations in testimony released yesterday:

"They were ideas staffed, they were passed up to me by people who work for me. I went upstairs (to his CIA superiors) and I was sent out to check if they made any sense at all."

Previous testimony by Broe revealed that he took the economic disruption ideas and a list of American firms in Chile to New York on Sept. 29, 1970 and presented them to ITT Senior Vice President Edward Gerrity. The purpose of doing this, Broe said, was to determine whether the ideas were feasible.

But Broe told the subcommittee headed by Sen. Frank Church, D-Idaho, that Gerrity was negative toward the proposals and said the ideas "really did not make an awful lot of sense." Until the subcommittee released the second phase of Broe's testimony yesterday, it was unclear who had generated the plans and whether the New York meeting was a serious discussion of action that might be taken.

Included in the plans Broe suggested to the ITT executive were: that banks should delay or not renew credits; that companies drag their feet on spending, making deliveries or shipping spare parts; that pressure be created on savings and loan institutions so they would have to close and that all technical assistance be withdrawn from Chile.

Broe also testified about other meetings with ITT executives, including one ITT President Harold S. Geneen in Washington on July 16, 1970, at which he said Geneen offered a substantial but unspecified fund to support any U.S. government-backed Marxist presidential can-

didate Salvador Allende. Broe's testimony was that Geneen said this money was to be used to back the campaign of conservative candidate Jorge Alessandri. Broe testified that he rejected the offer, just as Gerrity did not follow through with later CIA proposals when Allende finished first in the popular election and was on the verge of a runoff victory in the Chilean Congress.

Charles A. Meyers, former assistant secretary of State for inter-American affairs, told the subcommittee yesterday that U.S. policy was not to intervene in Chile's internal affairs. He said if either the Geneen money offer or the CIA economic disruption plan had been carried out, that would have been a violation of U.S. policy.

But Meyer's testimony sharpened the conflict in testimony the subcommittee has received about the ITT money offer of up to \$1 million. The discrepancy prompted Church yesterday to state "Someone is lying," and to disclose his intention to send the hearing transcript to the Department of Justice.

The conflict in testimony taken under oath was described by Church in these terms. He said former CIA Director John McCone, now an ITT director, testified the ITT offer of up to seven figures was for the defeat of Allende. But Gerrity testified under oath, Church said, that the money was offered to Meyer by ITT Washington official Jack Neal for the purpose of low-cost housing and agricultural projects in Chile. And Meyer testified that Neal never offered him any money for any purpose. Neal's testimony was that he offered Meyer the money but did not specify the purpose.

Church said he will ask Geneen about these discrepancies when the corporation's chief executive testifies on Monday.

Sen. Charles Percy, R-Ill., who comes closest of the committee members to being a sympathetic voice from ITT's viewpoint said he questioned

Disrupting Chile

the reliability of ITT inter-office memos because one written by Neal about his conversation with Meyer refers to Meyer as "Chuck." Percy, making the point that Meyer is known to his friends as "Charley," said people like Neal are preoccupied with impressing their home offices. Neal had written a memo to another ITT official saying "Chuck" Meyer understood Geneen's concern and offered to assist.

But Meyer testified that he had no recollection of Neal mentioning either a figure or a purpose for the fund. Meyer said there was never any change in the U.S. policy of non-intervention in Chile and if there had been he would have known about it.

Percy asked Meyer if Broe could have gone to see Gerrity in New York to find out if American corporations were doing something contrary to U.S. policy. Meyer said it was possible. Church remarked dryly, "If Broe was trying to trick ITT, that's a strange way of doing it."

Church added, "No economic chaos options were ever floated before this committee." This was in response to Meyer's declaration that he saw nothing sinister in CIA discussions with Gerrity about the economic situation in Chile. Meyer said there is a difference between actual policy and that it is normal for

Church concluded from the U.S. policy-makers to study all options.

testimony of Meyer and Broe that "CIA did this on its own." Meyer said he didn't know anything about the CIA-ITT links until long after they occurred.

DETROIT, MICH.
NEWS

E - 592,616
S - 827,086

MAR 29 1973.

Replica of Yale memorial

CIA finally will get Nathan Hale statue

By COL. R.D. HEINL JR

(USMC-Ret.

News Military Analyst

WASHINGTON — America's first and most honored spy is joining the Central Intelligence Agency (CIA).

On the 200th anniversary of his graduation from Yale (and also his birthday), on June 6, a bronze statue of Nathan Hale will be unveiled near the main entrance of CIA headquarters in Langley, Va.

On the pedestal will be engraved Hale's last words before he was hanged by the British in 1776:

"I only regret that I have but one life to lose for my country."

The theme that there can be as much greatness in failure as in success harmonizes in the statue with (at least from the agency's viewpoint) an opposing reminder that, in the intelligence business, the result of failure can be fatal.

The statue — a bronze recasting of the famous original on Yale's Old Campus — depicts Hale, a 21-year-old captain in George Washington's army, trussed for execution, collar ajar for the noose but standing defiantly as he awaits the British hangman.

The original statue was sculpted by Bela Lyon Pratt and given to Yale as a gift by its alumni in 1914. It stands in front of Connecticut Hall, where Hale had his room as an undergraduate.

Yale alumni, traditionally well represented in the CIA, have for some years sought to get a replica of the Hale statue for the agency.

Their efforts, aside from bureaucratic obstructions common to Washington, struck a major snag several years ago when the original mould for the statue was destroyed in a fire at New London, Conn.

In 1969, however, Yale made the statue available so that a new mould could be struck, from which in turn the CIA's copy has now been cast.

One other copy, done from the earlier mould, stands in Washington on Constitution Avenue, adjacent to the Justice Department.

While Hale was alive and functioning as an agent, his "case officer" (supervisor at headquarters level) was his Yale classmate, Maj. Benjamin Talmadge, one of Washington's principal intelligence officers.

Today, out at Langley, Hale's "case officer" is also a Yale graduate, vintage 1935, naturally faceless and unidentified, who worked out arrangements to obtain the statue and thus recruit Hale for CIA.

On the reverse of the pedestal, according to one source, a less well-known observation of Hale's may be inscribed. It comes from a letter he wrote, defending to a friend his decision to become a spy.

"Every kind of service, necessary to the publick good," said Hale, "becomes honorable by being necessary."

HS/HC- 950

Cutback poses a problem

Excess CIA fat illusory

By DONALD R. MORRIS
Post News Analyst

The CIA is in the midst of the largest personnel cutback in its history with a "reduction in force," or RIF, on the order of 1,000 employees.

To a public which automatically couples the adjective "swollen" to the noun "bureaucracy," any news of federal pruning is welcome. And it is clear that President Nixon is planning major reductions throughout the executive departments.

Such cutbacks are almost invariably short-lived, counterproductive and lead to only illusory savings.

The CIA fired a large batch of officials in 1961 and has already twice in President Nixon's administration effected a 5 per cent cutback. But inherent staffing problems will be as difficult to deal with when the current RIF is completed as they were 12 years ago.

The two most recent cutbacks were effected by a rigid clamp on hiring and then encouraging early retirement to speed the normal attrition rate until the desired level was reached.

While such tactics will indeed reduce the overall number of officials, they do not take into account the nature of the required staffing.

In common with State, AID and USIA, the CIA conducts the bulk of its operations overseas. In very round figures that means that for optimum effectiveness about 75 per cent of its personnel should be abroad and perhaps 25 per cent at home minding the store and supporting the field stations.

But these departments must hire bright young people for 20 and 30-year careers with some promise of job tenure.

For all sorts of reasons career personnel can't be kept overseas for much more than half of their careers. This means that at any given moment there are about twice as many people milling around Washington as are really needed.

They are good officers, highly competent professionals whose only crime is that they are forced to wait their turn for an overseas slot. And the government doesn't really have all that much for them to do while they are waiting.

It is easy to say "Fire them!" but that creates new problems. It is hard enough to recruit good people for government service in the teeth of the sundry bonbons offered by private industry.

If the government cannot offer a reasonably secure career for the long haul, recruiting will become impossible. And if the home pool is cut the source for the overseas postings goes as well, the caliber of those sent abroad will fall at once.

The problem is built in and won't go away. Given its druthers, the CIA probably would like to tell overseas returnees: "Look, you're on full salary till we need you, but go away. Do anything you like. Go to college. But stay away until we have another overseas slot for you."

Since Congress isn't likely to sit still for such a scheme the agency and the other departments are forced to devise useful slots at home to keep everybody gainfully employed.

It is these dubious functions, and the officials filling them, which are now being eliminated.

There is, of course, the welcome opportunity to squeeze out marginal performers. The agency has them although the percentage probably runs lower than elsewhere in the government.

Hardest hit will be officials long eligible for retirement but hanging on extra years, spinning wheels, to up their eventual pensions.

There are other problems. Many of those RIFed in 1961 found other jobs elsewhere in the intelligence community. They carried with them a load of concentrated hostility to the CIA which the agency is still paying for.

Over the past decade most of the public attacks on the CIA stemmed from material provided by disgruntled ex-employees and the problem promises to continue into the next decade.

LOS ANGELES, CAL.
HERALD-EXAMINER

E - 540,793
S - 529,466

MAR 21 1973

House Cleaning Invades Big CIA Spy Factory

By GRACE BASSETT
Herald-Examiner Washington Bureau

WASHINGTON — The most clandestine economies in President Nixon's campaign to cut spending are flourishing in the big government spy factory here.

In his lush suburban headquarters, hidden from public view, the new Central Intelligence Agency chief James R. Schlesinger has unleashed two policy weapons to cut the cost of spying.

Schlesinger's first directive was to all employes. It ordered them to stop reporting isolated facts and speculation and to start giving policymakers information they need for decisions.

His second order went to division chiefs. They are to estimate the percentage of operatives they can do without. First estimates run from 5 to 15 per cent.

At first glance, the policies will simply sharpen the product of CIA and promote efficiency.

But they look like blunter instruments to some agents who in the 25 years since sleuthing was dignified by a civilian office have grown wise to the ways agents are demoted, shifted, fired or otherwise discarded.

To these wary, possible victims of a giant CIA housecleaning, underway behind locked gates, Schlesinger's policies, at best, are brooms to sweep them away.

At worst, his weapons are meat axes.

The demand for policy information may seem logical from the outside. Inside the isolated offices of information specialists, however, writing policy guides can disrupt the routine radically.

The CIA gives information to President Nixon, Dr. Henry

Kissinger and the National Security Council. It also passes on clues to the State Department, but these two government units are rivals for the President's ear.

Policymakers, presumably, are in the White House.

The CIA supply line to them runs one way.

Dr. Kissinger hasn't been telling CIA what U.S. policy is toward foreign nations it has been spying on.

In a recent meeting with chief aides, Schlesinger reportedly was asked:

"How do we gear information to policy when we don't know what the policy is?"

Confusion about the new assignment indicates some agents can't switch to policy guidance, others won't and, very likely, more will try to bull it through.

The ones who fail feel certain they are headed for that ill-fated five to 15 per cent.

Few people outside the CIA and practically nobody inside knows how many jobs, people or dollars will be saved — or lost — in a mass ridding of spies. Easily, 500 to 1,000 could be on their way out of secret government service, scrutiny of camouflaged federal budget entries hint.

However Schlesinger's weapons eventually slice, men and women trained in government intrigue are shaken by them already.

Morale at the spy factory reportedly is sinking.

Agents are said to watch their tongues. Whoever overhears an excuse for not working might report it to the chief struggling to fill his percentage of castoffs.

In a move perhaps aimed at self protection, one highly placed CIA executive whose ears haven't been seen for years has just cut his hair.

C.I.A.'s Action on Chile Not U.S. Policy, Ex-Aide Says

By EILEEN SHANAHAN
Special to The New York Times

WASHINGTON, March 29—Charles A. Meyer, former Assistant Secretary of State for Inter-American affairs, said today that, so far as he knew, the Central Intelligence Agency was never specifically authorized to explore the possibility of using private American corporations to damage the economy of Chile to influence the 1970 election there.

But Mr. Meyer refused to criticize the C.I.A. for discussing this line of action with International Telephone and Telegraph Corporation officials, saying that such "exploration" did not necessarily violate the basic United States policy of noninterference in the Chilean election.

Strong doubts about the propriety of the C.I.A.'s action were expressed by Senator J. W. Fulbright, chairman of the Senate Foreign Relations Committee, and Senator Frank Church. Mr. Church, Democrat of Idaho, heads the subcommittee on multinational corporations that is investigating the activities of I.T.T. in Chile.

Senator Fulbright, Democrat of Arkansas, said that it looked to him as though the C.I.A. was "responding to a request by a former director of the C.I.A." rather than to governmental policy and was "going off in another direction."

Nationalization an Issue

Earlier testimony had disclosed that John A. McCone, former C.I.A. chief who became a director of I.T.T., went to Richard Helms, his successor at the intelligence agency, to suggest that the Government take steps to prevent the election of Dr. Salvador Allende Gossens as President of Chile.

Dr. Allende, a Marxist, had campaigned on a platform of nationalization of basic industries in Chile, including the telephone company of which I.T.T. was the principal owner.

Senator Church asked Mr. Meyer whether the top-level governmental agency that is supposed to approve the intelligence agency's operations in advance—it is known as The 40 Committee—had ever "decided as a matter of policy that the C.I.A. should explore the feasibility of stirring up economic trouble" in Chile.

"To my certain recollection, no," Mr. Meyer replied.

But he and subcommittee members engaged in a long

and inconclusive wrangle over whether the discussions between an I.T.T. officer and a C.I.A. official constituted "policy" or "action" that required such advance approval.

The discussions were held by William V. Broe, former director of clandestine activities in Latin America for the agency, and Edward J. Gerrity, the company's senior vice president for corporate relations and advertising. They saw each other in New York in late September, 1970, after Dr. Allende had won a plurality but not a majority of the popular vote. The Chilean Congress had yet to make the final choice of a President; it chose Dr. Allende on Oct. 24.

What Mr. Broe discussed

with Mr. Gerrity was the possibility that American banks might cut off credit to Chilean lenders and other American businesses slow deliveries as a means of creating enough economic problems in Chile that members of the Congress would have second thoughts about electing Dr. Allende. A cutoff of technical help was also discussed.

Mr. Broe testified that he had given Mr. Gerrity a list of American companies doing business in Chile that might be helpful in creating economic problems, but said he had given no instructions that I.T.T.

get in touch with them.

Mr. Gerrity and, later on,

What Mr. Broe discussed the company's board chair-

man, Harold S. Geneen, rejected the whole idea because they thought it would not work.

Mr. Meyer conceded under questioning that if the plan had been adopted it would have constituted a change in the policy of noninterference that would have required approval at a higher level than that of directors of the C.I.A. The director, Mr. Helms, had instructed Mr. Broe to explore the plan with Mr. Gerrity.

Senator Church said, however, that he was "afraid that I.T.T. did successfully lobby the C.I.A. on behalf of a covert operation, without policy approval."

"That's how this committee's record stands," he added.

'Someone Is Lying' ITT-Chile Panel Told

By JEREMIAH O'LEARY
Star-News Staff Writer

Sen. Frank Church, D-Idaho, chairman of the Senate multi-national corporations subcommittee, today said it is obvious from the record of the ITT-Chile hearings "that someone is lying" and he will recommend the transcript be turned over to the Justice Department for action.

Church leveled the charge after hearing testimony today from a former assistant secretary of state for inter-American affairs, Charles A. Meyer, which contradicted earlier testimony from International Telephone & Telegraph Corp. officials. The testimony centered on an

offer the company had made to the U.S. government of up to \$1 million for any plans in regard to Chile.

Meyer testified that he had no recollection of receiving such an offer from ITT Washington representative Jack Neal. Neal had testified making the offer to Meyer.

Meyer's testimony also was at variance with sworn testimony from ITT senior Vice President Edward Gerrity, who told the subcommittee last week the \$1 million was offered to Meyer by Neal for constructive projects in Chile, such as housing and agricultural development.

"As the record stands," Church said, "Gerrity testi-

fied under oath \$1 million was offered to you by Neal. Neal said he did make such a contact but did not state the purpose for which the money would be spent. You say you remember neither the offer nor the purpose.

"It is obvious somebody is lying and we must take a serious view of perjury under oath."

Church asked Meyer not to take offense at this declaration and told the witness he had a high regard for his (Meyer's) honesty and integrity.

Church said the subcommittee now faced a question of its plausibility in the face of fairy tales.

Earlier Meyer today told Senate investigators he saw "nothing sinister in discussions on Chile between a CIA agent and a top official of

See CHILE, Page A-8

THE EVENING STAR

THURSDAY, 29 MAR 1973

HS/HC-950

A-8

THE EVENING STAR and DAILY NEWS
Washington, D. C., Thursday, March 29, 1973

Chile: 'Someone Is Lying'

Continued From Page A-1
the International Telephone & Telegraph Corp.

The CIA agent, William V. Broe, and Gerrity met in New York on Sept. 29, 1970, and discussed feasible means of exerting economic pressure on Chile prior to the election of Marxist President Salvador Allende.

Secret testimony on the meeting was made public yesterday.

Under questioning from Church, Meyer testified there was no change in the U.S. government's policy of not intervening in Chile's internal affairs.

"You have to make the distinction between policy and the examination of policy," Meyer said.

"It is within the CIA's functional responsibility to collect intelligence relative to worldwide situations and I find nothing sinister or anything that indicates a change of policy in learning that Broe discussed or explored or brainstormed economic pressures on Chile. Because it was not policy, the policy did not change."

Church declared the New York meeting was not an exchange of intelligence but a series of suggestions made by Broe to Gerrity that must have been made with a serious purpose.

What happened in New York, Church charged, goes far beyond the collection of intelligence. He said Broe made the suggestions as an operational plan. Church then asked Meyer if that plan was consistent with U.S. policy toward Chile.

"My reading of Broe's testimony," Meyer answered, "is that he explored with Gerrity action and reaction of economic deterioration in Chile that would occur anyway. Had the suggestions been adopted, that would have been a change of policy. They were not. They disappeared."

Meyer contended that Broe proposed no firm course of action to Gerrity but only suggested feasible courses of action. He described this as the sort of "free thinking that goes into policy making everyday from A to Z."

Broe told Senate investigators that he met with Gerrity on orders from CIA Director Richard Helms.

Broe, former chief of CIA clandestine services in the Western Hemisphere, testified Tuesday in closed session under oath.

Broe described a number of meetings he had had with top-ranking ITT officials during the crucial period of the 1970 Chilean election which pro-

ceeded Allende into power. All the meetings, Broe told the subcommittee, stemmed from suggestion of John McCone, an ITT director and former CIA chief, to Helms, and from Helms' instructions to Broe.

"Did you discuss with Mr. Gerrity the feasibility of possible actions by U.S. companies designed to create or accelerate economic instability in Chile?" Church asked.

"I explored with Mr. Gerrity the feasibility of possible actions to apply some economic pressure on Chile, yes, sir," Broe replied.

Broe explained that at that time "the thesis was that additional deterioration in the economic situation could influence a number of Christian Democratic congressmen who were planning to vote for Allende" in the Oct. 24 runoff election.

Allende had won a narrow plurality in the Sept. 4 general election over conservative Jorge Alessandri and Christian Democrat Radomiro Tomic, but needed the Christian Democratic vote for the runoff in the Chilean Congress.

Broe also gave information that appeared to contradict testimony given the subcommittee earlier by Gerrity. Gerrity had testified about an earlier offer by ITT to provide the U.S. with up to \$1 million to apply to the Chile situation. Gerrity testified the money was to be limited to constructive projects, such as housing and agricultural expansion.

But Broe said he had met with ITT President Harold Geneen in Washington and Geneen had told him ITT was prepared to assemble an election fund for Alessandri's campaign.

Church asked Broe if Geneen had ever indicated "that the fund he stood ready to contribute was to be for constructive use, technical assistance to agriculture, building of houses, or anything of that character?" Broe replied "No, it was to support Jorge Alessandri."

Broe said the CIA did not accept the money offer.

Avon Linen Cloths, Linens, orig
\$1.50 each and 2.40 per dozen m

g,' Says Church

Earlier in the questioning Broe described a meeting he had in Washington with Geneen which supported the testimony of McCone in an evident contradiction with the testimony received by the subcommittee from Gerrity.

Broe also said that Geneen told him ITT and other U.S. companies had raised an election fund in 1964 to influence the Chilean presidential election. Geneen, according to Broe, said the group of businessmen desired to invest in that election and had contacted McCone, who was then CIA director, but that McCone would not accept the fund.

Church brought out in questioning Broe about his meeting with Gerrity that they discussed the following actions: That banks should delay or not renew credits; that companies drag their feet in spending money, making deliveries and shipping spare parts, creating pressure on savings and loan institutions so they would have to close, and withdrawing all technical assistance from Chile.

Broe said he considered these measures were to create economic pressure on Chile but not to foment unrest that would lead to military intervention to keep Allende from the presidency. Broe said he provided Gerrity with a list of U.S. companies doing business in Chile and "advised him that these were compa-

nies that could participate, providing the economic course was feasible."

Sen. Clifford Case, R-N.J., said the record was not clear on whether Broe went to New York specifically to offer the economic suggestions to Gerrity. Church said there was no evidence this was a policy adopted by the U.S. government but repeated that all Broe's contacts were in accord with instructions from his superiors at CIA.

However, Church said the testimony meant to him that Broe went to New York to offer operational suggestions for creating economic chaos in Chile.

"When Mr. Geneen testifies next Monday," Church said, "we will read him Broe's testimony and ask him for his version of the facts." He said it was too soon to be making judgements about possible perjury in the conflicts in testimony.

Broe's appearance marked the first time that an operating agent of the CIA had testified before Congress.

The unprecedented appearance was the result of an agreement between Church and CIA Director James Schlesinger that the CIA would have the opportunity to clear the transcript before it was released publicly. Church made 26 pages of Broe's transcript available yesterday. An additional 18 pages were still being processed.

3.99	4 Regal Aluminum P
3.99	4 Regal Percolators,
3.99	4 Hamilton Beach Fry
3.99	5 Hoover Polishers, 1
3.99	1 RCA Color Portable
3.99	1 GE Color Portable,
1.49	10 Vogue Baby Dea
1.99	10 Slenda Belts & Je
1.99	1 Kodak 760 Slide P
3.99	1 Kodak 800 Slide P
3.99	1 Yashica E-Z Matic
1.99	12 C. G. M. 1000

CROSBY N. BOYD, *Chairman of the Board*JOHN H. KAUFFMANN, *President*NEWBOLD NOYES, *Editor*

A-16

WEDNESDAY, MARCH 28, 1973

WASHINGTON CLOSE-UP

ITT's New Twist in Guidance

By FRANK GETLEIN

When last heard of, International Telephone & Telegraph was sending its flacks to shrinks to keep them under wraps, bribing San Diego to accept the Republican convention against the city's better judgment, receiving most-favored-nation treatment from White House apparatchiks, causing Justice Department lawyers to have second thoughts about the advisability of belting the old corp. before becoming federal judges, and throwing all available papers into the faithful shredding machine.

It was an elaborate program, but basically just an elegantly articulated variation on classic maneuvers in the way of a corporation with a politician. Big corps. have been dazzling small pols with a bit of the boodle ever since John D. Rockefeller bought the Pennsylvania legislature at distressed merchandise prices.

★

That's really all the ITT putsch against the White House and the antitrust division amounted to, a well-thought-out lining-up of the appropriate desiderata and the discreet presentation of them to the correct apparatchiks.

Now, however, ITT has broken new ground in the guidance of governments and, for a change, the new departure is one which has tremendous potential benefit not only to the corporate crooks who created the ploy and not only to the government officials standing by ready to be convinced by the long green or the big appointment, but also to the poor old American taxpayer, who usually is just the mug, the fall guy, the patsy and the sucker when good fellows get together in the White

House business-liaison control center.

What ITT came up with, according to one of its directors, John McCone, former head spook at the CIA, was nothing less than an offer to Henry Kissinger to bankroll anything the United States might want to do to prevent the Chilean legislature from ratifying the popular election of Marxist Salvador Allende as president.

★

Details weren't spelled out in McCone's testimony before the Senate hearings on multinational corporations, but one is permitted to speculate that there were two basic ways available: one, bribe the legislature, a task few have regarded as insurmountable from the Rio Grande to Tierra del Fuego — or indeed from Boston to Sacramento — and, two, arrange an assassination of Allende in the style, perhaps, of the assassination of President Diem, former freedom fighter and democratic leader of South Vietnam suddenly revealed as a strongman dictator, graftor and pain-in-the-neck to America and to the CIA.

According to McCone, he told Henry Kissinger that ITT was willing to put up a cool million to bring the job off, a reasonable enough sum.

Apparently the scheme drifted into disuse: You have to do these things while they're hot or not at all and the Nixonians were then all tied up with planning Journeys for Peace and bigger bombing in 'Nam. Also, no doubt, there are some spoilsports around who would view McCone's double identity — paid consultant to the CIA, paid director of ITT — as a conflict of interest. All of which ITT's success almost

certainly depended on CIA involvement.

For the McCone offer to Kissinger was neither for Kissinger nor for his master, as ITT's earlier offers had been. The cool million was, instead, for the government of the United States. That's where the benefit to the taxpayer comes in.

McCone was doing nothing less than offering private subsidy of public action. If the United States would pull the ITT chestnuts out of the Chilean fire and help hold off the dread threat of Chilean resources reverting to the Chilean people — horrid thought! — he, McCone, and his outfit, ITT, would underwrite the operation.

★

This is a great step forward and one that may be the making of bribery as a respectable political instrument. For example, suppose the milk producers, instead of giving their big money to the Committee for the Re-election of the President and then enjoying the rise in the price of milk, had given the money to the Treasury. We'd all be ahead. Same thing with causes as different in scale as the merchandising of the ambassadorships to Luxembourg or London and the expected quid pro quo of letting contracts for aircraft that don't fly to firms ready to hire the military contract-letters on their retirement.

If, as McCone's ITT scheme suggests, normal bribery money could be channeled to the Treasury instead of to individual officials or partisan committees, we'd be well ahead. After all, it's our government: If it is to be sold, we all get a piece of the action?

The Evening Star

and

The News

WASHINGTON DAILY NEWS

JOHN H. KAUFFMANN, President

NEWBOLD NOYES, Editor

A-16

WEDNESDAY, MARCH 28, 1973

CHARLES BARTLETT

Rough Handling of Elite Agency

The suburban mausoleum housing the CIA's unique collection of intelligence gathering talents is an unhappy corner of town under its tough-minded new management.

The CIA had not appeared a likely candidate for the woodshed. The agency emerged from Vietnam less scarred than any of the other participants. It has managed its ticklish responsibilities in Laos with admirable skill and slowly recouped, through persistent prudence, the standing that was lost 12 years ago at the Bay of Pigs.

★

The force behind the move to shake up the CIA is President Nixon. While Henry Kissinger has usually seemed satisfied with the intelligence he's been getting, Nixon has tended to regard the agency as a last stand of the old school tie, a vestige of the Eastern establishment that he dislikes so intensely. It is probable he has not forgiven the CIA for creating in 1960 the missile-gap illusion that worked against his election.

Moreover the vast cost of photographic intelligence, the rich harvest of the satellites' ranging eyes, has contributed to an uncomfortable swelling of the intelligence community budget. It stands now at about \$4.5 billion, enough to raise outside suspicions that secre-

cy may be serving as a cushion to soften the fiscal squeeze that afflicts the rest of government.

★

The President's chosen instrument for the CIA shakeup is James Schlesinger, a 42-year-old recruit from academia who has made his presence felt in a series of key administration jobs. Solid and self-assured, Schlesinger offers a sharp contrast to the "band of brothers" style of leadership with which Allen Dulles ran the CIA. The new director did not want the job but he has moved into it hard.

His conduct suggests his embrace of a thesis that the CIA has been functioning in a cozy, self-protected world which has grown somewhat isolated in suburbia and more remote than it should be from those who make the policies. Schlesinger appears bent on disrupting the traditions that defer to the intelligence mores of an earlier era and deny the new importance of technology.

He is going after some of the protective devices. He wants estimators who will lay their judgments on the line instead of hedging so they are never wholly right or wholly wrong. He has taken an ax to the personnel deadwood, seemingly undeterred by his predecessors' fear of provoking discharged employes into becoming security risks.

It all adds up to rough treatment of an elite agency and complaints are stirring at what some describe as needless brutality. Schlesinger is criticized more for his style than for what he is doing, but the bitterness is enlarged by lingering resentments against the callous way in which the President replaced Richard Helms, the previous director who had staked a strong claim to his subordinates' loyalty.

★

Schlesinger's track record in Washington portends that he knows what he is doing. There is no graceful way to shake up an agency. But he will need to shift, at some point, from being the CIA's shaker to being its leader and he may find he has paid a price in demoralization, perhaps in the loss of men he can ill afford to lose, for his precipitous manner of taking command.

If Schlesinger can make the CIA leaner without causing its employes to feel they are being punished, his intrusion on the marble mausoleum will be a healthy thing. It is patently clear that an era of wary detente is not going to diminish the need for good intelligence and it is useful to have a wise outsider examine an operation long run by insiders.

A-4
X

THE EVENING STAR and DAILY NEWS
Washington, D. C., Tuesday, March 27, 1973

The Fatal China

By OSWALD JOHNSTON
Star-News Staff Writer

"On the night of Nov. 29, 1952, a public security unit of the Chinese People's Liberation Army stationed in northeast China shot down over Kirin Province an American C47 plane, which sneaked into our territory with the markings removed intentionally.

"Pilots Norm Schwartz and Bob Snoddy were killed, but captured were two American citizens, John Thomas Downey and Richard G. Fecteau."—New China News Agency, Nov. 23, 1954.

The public revelation from Peking that two American civilians were tried and convicted of running a spy mission into China was one of the sensations of the cold war. Both men are now released and returned to their families.

But the two pilots remained largely forgotten men for more than 20 years, their mission role unconfirmed by the U.S. government, their disappearance enveloped in cover stories and the identity of

their real employer still a mystery.

U.S. officials have in the last few weeks acknowledged that Robert C. Snoddy and Norman A. Schwartz, the pilot and co-pilot of the Downey mission, were killed when the plane crashed.

But for the two families—Snoddy's in Cresswell, Ore., and Schwartz' in Louisville, Ky.—the latest account is only the most recent chapter in a long and tangled succession of intelligence cover stories and, it now appears, deliberately falsified reports.

False Account Cited

From life insurance documents recently made available, it is clear that CIA and Air Force officials collaborated in an elaborate false account of Schwartz' and Snoddy's deaths within a week of the downing of their plane. There was no public report of their deaths until the New China News Agency account nearly two years later.

On the strength of the government's false account, at

least \$75,000 in life insurance was paid out to the families of the two men.

Some of these payments were made after it was clear to the families that the initial account of the crash was false, and the hope the two men were alive haunted the families for years afterward.

There remained a possibility that Snoddy and Schwartz were imprisoned in China along with Downey and Fecteau, who had been sentenced to life imprisonment and 20 years, respectively.

The release in December 1971 of Fecteau provided the first clear evidence the two men were actually dead. In a CIA debriefing, Fecteau testified that both Snoddy and Schwartz were killed at the controls of their plane.

China a Target

In the few weeks since his release earlier this month, Downey is understood to have given a similar report to CIA officials. Both families have been promised a telephone interview with Downey in the

near future to put the question beyond doubt at last.

Snoddy and Schwartz were both civilian pilots for Gen. Claire Chennault's Civil Air Transport—the post-war version of his Flying Tiger airline, and almost from the end of World War II the main Far East contract carrier for U.S. intelligence operations.

The company is better known today by its successor title, Air America, Inc.—in popular parlance, the CIA airline, and a key participant in the CIA's secret war in Laos during the 1960s.

In the 1950s, however, China was the prime target for intelligence operations. Both pilots had flown in the Far Eastern theater during the war, Snoddy with the Navy and Schwartz with the Marines, and both men apparently signed on with Chennault's CAT in full knowledge that their missions would be hazardous.

Both families evidently suspected some CIA connection quite early. Snoddy's sister, Mrs. Ruth Boss, also of Cress-

HS/HC-950

Mission

well, recently recalled a cryptic remark of her brother's on a trip home shortly before his death: "He told us that if he ever got shot down, we'd never hear about it." The families almost never did, except for the insurance policies both men had taken out as part of their contract with CAT.

On Dec. 5, 1952—less than a week after the plane's disappearance, the CAT official in the company's Tokyo office wrote a letter to American International Underwriters Japan, Inc., to begin proceedings toward collecting on the insurance policies. The letter set forth the main outlines of the CIA cover story for the mission: That the plane was lost at sea on Dec. 3 on a routine flight from Seoul, Korea, to Tokyo.

Two weeks later, on Dec. 22, CAT received for its files a letter from Far East Air Force headquarters explaining in detail how the plane was lost to radar contact off Korea on Dec. 3, and how "14 aircraft throughout 4 Dec. 1952

searched . . . with negative results."

Authorities also produced a forged flight plan for the mission, detailing a place in Japan as destination and listing two "Department of the Army Civilians" as passengers on the flight: "Downey, J." and "Fecteau, R."

Meanwhile, Standard Insurance Company, a Portland based firm which held two policies on Snoddy's life, began to collect information about his unexplained disappearance. An earlier CAT cover story, that "fire in the electrical system" of the C47 caused "an air explosion . . . completely disintegrating the plane" was reported in local newspapers. In July 1953 CAT's Tokyo office transmitted to Standard the flight plan documents and the letter from Far East Air Force establishing the Dec. 3 cover story.

During the next two years, the Snoddy's received a series of insurance payments: \$30,000 on two policies taken out by CAT with American International Underwriters; \$15,000 on the two policies written by Standard Insurance, and a \$10,000 national service policy administered by the Veteran's Administration.

Similar documentation in Schwartz' case is lacking, but a brother, Melvin Schwarz recalled in a telephone interview yesterday in Louisville that p a y m e n t s totaling "about \$25,000" had been received by their parents, who are now deceased.

By the time the insurance claims were cleared up, however, the CIA cover stories faithfully developed by CAT and the Air Force were seriously shaken.

Story Exploded

The November 1954 revelation from Peking that Downey and Fecteau were alive and in a Chinese prison exploded the story of the plane lost at sea and substituted the real date for the mission: Nov. 29 instead of Dec. 3.

And it alerted the families to seek word that the two men might still be alive.

Mrs. Irma Hancock of Louisville, a sister of Schwartz, recalls getting in touch with Fecteau's mother shortly before the latter was allowed to visit her son in China in 1958. The visit yielded no information about either Schwartz or Snoddy, however, and Mrs. Fecteau declined to discuss the matter after her return, Mrs. Hancock says.

The Snoddy family made its own inquiries and tried to contact Fecteau after his release in 1971. By a tacit agreement however, it was decided to keep silent about the whole matter until Downey was released and safely back home.

On March 16, Sen. Mark O. Hatfield and Rep. John Dellenback, both Oregon Republicans, put the Snoddy family's questions on record in a letter to Secretary of State William P. Rogers seeking an official end "to the confusion surrounding this incident."

It now appears the uncertainty over whether the men are still alive can be laid to rest by Downey himself. But at least one of the Hatfield-Dellenback queries may never be answered, in the light of the tortuous record in the case:

"Were they, in fact, serving their country as employees of the U.S. government at the time? If they were, does the government have any legal or moral obligations to the families of these men since they were acting under the direction of government employees?"

16

C

C.I.A. AIDE TO TELL OF I.T.T. DEALINGS

Official to Testify on Chile
in Unusual Arrangement

By EILEEN SHANAHAN
Special to The New York Times

WASHINGTON, March 26—The Central Intelligence Agency and a special Senate subcommittee agreed today on an unusual arrangement whereby a C.I.A. official will testify tomorrow about his dealings with the International Telephone and Telegraph Corporation in connection with the political situation in Chile.

Events at issue occurred in 1970 and 1971, before and immediately after the election of President Salvador Allende. Gossens, a Marxist. Testimony already heard by the Senate subcommittee on multinational corporations shows that I.T.T. officials, including Chairman Harold S. Geneen had repeated contacts with William V. Broe, then the C.I.A.'s director of clandestine activities in Latin America.

Company documents appear to show that Mr. Broe endorsed the view of the company that all possible steps should be taken to prevent Mr. Allende's accession to power—including attempts to generate a take-over by the military.

System Used Sparingly

The arrangements made by the subcommittee, after extended negotiations with James R. Schlesinger, the new head of the C.I.A., will permit the publication, after censorship, of Mr. Broe's testimony before a closed session of the subcommittee.

This is the same system that was used last year by the Senate Armed Services Committee in the case of Maj. Gen. John D. Lavelle, who was demoted following disclosures that he had ordered bombings of North Vietnam that were not authorized by his superiors.

It is a system for getting essential testimony without disclosure of information deemed vital to national security and has been used sparingly since it was first devised for the Senate investigation of President Truman's ouster of Gen. Douglas MacArthur as the United States commander in Korea.

It is unusual for any testimony of an official of the C.I.A. to be made public. C.I.A. officials said the only previous instances they could remember were the testimony of Allen W. Dulles, then C.I.A. director, before the Congressional Joint Economic Committee in the late nineteen-fifties when he expressed alarm that the Soviet economy was growing faster than the American, and the testimony of Francis Gary Powers, the U-2 pilot who was shot down and captured by the Russians.

NEW YORK TIMES
27 MAR 1973
Tuesday

HS/HC-950

Approved For Release 2001/06/09 : CIA-RDP84-00499R001000110004-0

Testimony by Agent Is a First for CIA

Approved For Release 2004/06/09 : CIA-RDP84-00499R001000110004-0

By JEREMIAH O'LEARY
Star-News Staff Writer

An agent of the CIA today made an unprecedented appearance before a Senate subcommittee to tell under oath what he knows about the relationship between himself and International Telephone and Telegraph Corp. regarding political events in Chile.

The appearance of William V. Broe, former chief of the CIA Latin American division, before the Senate Subcommittee on Multinational Corporations, was behind closed doors. But Chairman Frank Church, D-Idaho, has worked out an agreement with CIA Director James Schlesinger so that a transcript of much of the question-and-answer session will be released, to the public probably within 24 hours.

No operating agent of the CIA has ever made a congressional appearance under such near-open conditions. The subcommittee, which already has interviewed Broe informally, was to make public a declassified copy of that transcript today, according to aides.

Who Initiated Plans?

Subcommittee officials said it was obvious that the CIA agreed to this break with precedent because the agency is anxious for its side of the ITT-Chile controversy to be made public. Testimony in the hearings last week brought to light inconsistencies in the reported relationship between ITT and CIA in connection with the election of Marxist President Salvador Allende in Chile.

The major question raised by conflicting testimony is whether CIA or ITT initiated plans whereby the corporation offered up to \$1 million to any U.S. government operation regarding the Chilean election outcome.

John McCone, former CIA director and now a director of ITT, testified he understood the money was to block Allende from taking power but ITT senior vice president Edward Gerrity said he thought the money was for housing and agricultural projects that might mollify Allende in his

drive to nationalize ITT properties without compensation.

Schlesinger's agreement with the subcommittee about Broe's appearance today was described in a letter to Church yesterday. It said:

"I believe that our discussions in recent weeks have indicated my desire to cooperate to the fullest extent possible with the subcommittee in the matter of the ITT-Chile investigations consistent with responsibilities placed on me by law and with the necessity for respecting certain sensitive agency relationships.

"It was in this spirit that I suggested that Mr. Broe meet with you and the staff of your subcommittee in formally and privately to discuss the extent of Mr. Broe's relationships with officials of ITT. As an outgrowth of that meeting, Mr. Broe responded for the classified record to a series of questions submitted to your subcommittee staff. I have since reviewed Mr. Broe's answer to these questions and concluded that most, if not all of them, can be declassified for incorporation in the public record if you so desire.

Unique Aspects

"As you know, operating officials of the agency have not previously testified under oath in public sessions. I desire, however, to continue to cooperate as fully possible with your subcommittee because of

the unique aspects of the hearings on ITT. I would agree, therefore, to have Mr. Broe appear before your subcommittee under oath to present testimony limited to his conversation with ITT officials in 1970 in connection with Chile.

"Due to compelling operational and security reasons which we have already discussed, I must request that Mr. Broe's appearance be limited to executive session. Further, as the subcommittee feels it is desirable to make Mr. Broe's testimony public I would be glad to review his testimony for that purpose.

"I am certain such an arrangement would result in placing on the public record the items which your subcommittee believes are important in connection with its present investigation. This procedure would, I trust, meet your objectives while allowing me the flexibility needed to discharge my responsibilities as called for by the National Security Act of 1947."

The subcommittee was to return to public session later today and question former Ambassador to Chile Edward Korry and two officials of the Anaconda Copper Co.

THE EVENING STAR

Tuesday, March 27, 1973

*STAR
27 MAR 1973*

\$400,000 CIA Fund to Influence Chilean Election

By JEREMIAH O'LEARY
Star-News Staff Writer

The existence of a hitherto secret CIA propaganda fund of \$400,000 for use in the Chilean presidential election of 1970 has been brought to light by the Senate multinational corporations subcommittee investigating the role of ITT and the U.S. government in Chile's internal affairs.

It has been learned authoritatively that the fund was provided by the CIA for the period prior to the popular election on Sept. 4, 1970, when Marxist candidate Salvador Allende won a hairs-breadth plurality in a three-man race. But informed sources believe, and former Ambassador Edward Korry testified yesterday, that all agencies of the U.S. government adopted a hands-off policy in the Oct. 24 runoff, which Allende won in the Chilean Congress.

Jerome Levinson, chief counsel for the subcommittee headed by Sen. Frank Church, D-Idaho, injected the \$400,000 propaganda fund into the hearings with a direct question to Korry, asking the ex-envoy if there was such a covert fund in the pre-election period. Korry said that was a question the CIA would have to answer.

But Korry also testified that everybody in Chile knew the U.S. government wanted to see Allende defeated and that only a lunatic would have supposed otherwise. He said he



EDWARD KORRY

personally favored the so-called Alessandri formula by which the Christian Democrats and Conservatives in Congress would combine to elect Jorge Alessandri instead of Allende. The formula, which never was applied, then called for Alessandri to resign so that outgoing President Eduardo Frei could win in a new national election.

Allende had won a plurality — but not a majority — in the popular election of Sept. 4, 1970. This put the election in the hands of the Chilean Congress, which selected him on Oct. 24, 1970.

Committee members and aides refused to divulge more

about the \$400,000 fund, but Korry's testimony left no doubt that it could have been used only to finance propaganda to help defeat Allende. It could not be learned whether the fund is mentioned in the impounded testimony given yesterday in executive session by William V. Broe, who was in charge of CIA clandestine operations in Latin America at the time of the election.

The subcommittee was to release the Broe testimony today after screening by CIA officials. It was the first time in history that a CIA agent has ever testified under oath before a congressional committee.

The subcommittee also released yesterday an internal International Telephone and Telegraph document describing a secret meeting Oct. 21, 1971, in the office of Secretary of State William P. Rogers with representatives of a number of American corporations threatened with expropriation in Chile. The memorandum says:

"Secretary Rogers opened the meeting by saying that he and the President had grave concern over the Chilean situation and the expropriations that were taking place. He stated there appeared to be little leverage that the government could use against Chile but that they would take all actions open to them."

"He discussed his meetings with Foreign Minister Almeda (Clodomiro Almeyda) during the opening of the UN. He stated he had never been more rude to any other diplomat. Rogers said he attempted to press Almeda (Almeyda) to stop the copper expropriations and filing of excess profits and taxes."

Earlier, Korry declined to tell the subcommittee, either in open or executive session, what instructions he received from the State Department during the critical election period in Chile. Korry told Church he was not invoking executive privilege, although

ence Chile Election Reported

he understood there was legal justification for doing so.

"This is moral principle with me," Korry said.

"Do you contend that this committee has no jurisdiction?" Levinson asked.

"No, but I fall back on my moral commitment. I cannot wreck an institutional process for any reason I can think of here. It's a philosophical thing on my part," Korry said. "I took an oath when I became ambassador. I'm not about to break my part of that bargain."

Korry said that if he set a precedent by telling the committee about his instructions

from the State Department it might lead to a return of conditions like the McCarthy era with diplomats being afraid to commit anything to paper.

But Korry did categorically deny to the subcommittee that he ever got any "green light" to go ahead with any action short of a Dominican-style intervention, as was reported in a message from ITT publicist Hal Hendrix to his superiors.

It is obvious from the history of Chile since the Allende election, Korry said, that the United States mounted no "big push" and supported none of the three candidates.

"All three camps ap-

proached me for funds, but the U.S. never responded," Korry testified. But when Levinson asked him about the CIA propaganda fund, Korry refused to answer any questions about the CIA except to say that the agency was under his control in Chile. The subcommittee did not pursue the former ambassador about the seeming discrepancy when he cut off all questions about the CIA.

Korry declared that he personally favored the Alessandri formula for blocking Allende's election "but I did nothing about it." However, he said he did tell U.S. businessmen in Chile that he favored the plan,

explaining, "There is a difference between analysis and action."

Asked about an ITT document which declared the Chilean armed forces had been assured of U.S. support in any violence or civil war, Korry said he never made any such promise even though he was asked for such assurances. Korry said he told his embassy people to stay away from the Chilean military in the critical election period.

Korry testified that he never heard of any ITT offer of money to support any U.S. plan to block Allende or cause economic chaos there.

The Washington Merry-Go-Round

THE WASHINGTON POST

Tuesday, March 27, 1973

B 15

Move Seen to Politicize CIA Analysis

By Jack Anderson

Our sources inside the Central Intelligence Agency are alarmed over an apparent move to politicize its intelligence estimates and evaluations.

The craggy new CIA chief, James Schlesinger, is shaking up the Office of National Estimates, which produces the supersecret studies of world developments. Each September, for instance, this office completes a painstaking survey of Soviet capabilities and intentions.

But the CIA estimates, unhappily, have often conflicted with President Nixon's own concepts. Schlesinger's shake-up, therefore, has been interpreted within the CIA as an attempt to make the intelligence analyses conform with the President's thinking.

The President's displeasure with the CIA has been no secret inside the agency. In 1971, he issued a detailed "decision memorandum," complaining about inadequate intelligence and calling for changes. He gave his national security adviser, Henry A. Kissinger, new power to evaluate intelligence and instructed then CIA director Richard Helms to make the estimating-analyzing operation more responsive to White House needs.

Some of the reforms the President sought, to be sure, were intended to reduce run-

away costs and to increase efficiency. But the cool, competent Helms was reluctant to adopt changes that might make the CIA less professional and more political.

He believed there should be a diversity, not conformity, of intelligence activities. He thought diverse views should be funneled to the White House as a check upon the rival intelligence services. If the President should receive only an intelligence consensus and this should turn out to be wrong, Helms feared, it could be disastrous for the nation.

CIA's 'Liberal' Taint

But the conservatives around Mr. Nixon persuaded him that the CIA had a liberal taint and that the Office of National Estimates, in particular, took a dovish view of the Vietnam war.

It's true the CIA warned in 1966-67 that Communist strength was almost double what the Joint Chiefs of Staff estimated. Sure enough the Communists struck with unexpected power during the 1968 Tet holidays.

It's true the CIA claimed that the bombing of North Vietnam had not disrupted the flow of supplies down the infiltration routes into the south. Sure enough, the Communists launched an unexpected, powerful offensive in March, 1972.

It's true the CIA warned that the mining of Haiphong

harbor and the renewed bombing of the north wouldn't keep the North Vietnamese forces from getting all the supplies they needed. This estimate, too, was subsequently verified.

Of course, the CIA wasn't always right. It badly underestimated the flow of Communist supplies through the Cambodian port of Sihanoukville and, therefore, discounted the need for invading Cambodia.

The CIA also upset the White House by disputing then Defense Secretary Marvin Laird's statement to Congress in 1969 that the Soviets had succeeded in installing multiple warheads on the giant SS-9 missile, each warhead capable of hitting an independent target. The White House wanted Congress to believe Laird and to vote for more defense funds.

In the future, however, it appears that the CIA will be less likely to disagree with the White House.

Footnote: A CIA spokesman said that Schlesinger's shake-up is intended to reduce unnecessary costs, remove the deadwood and increase efficiency. In part, this undoubtedly is true.

Washington Whirl

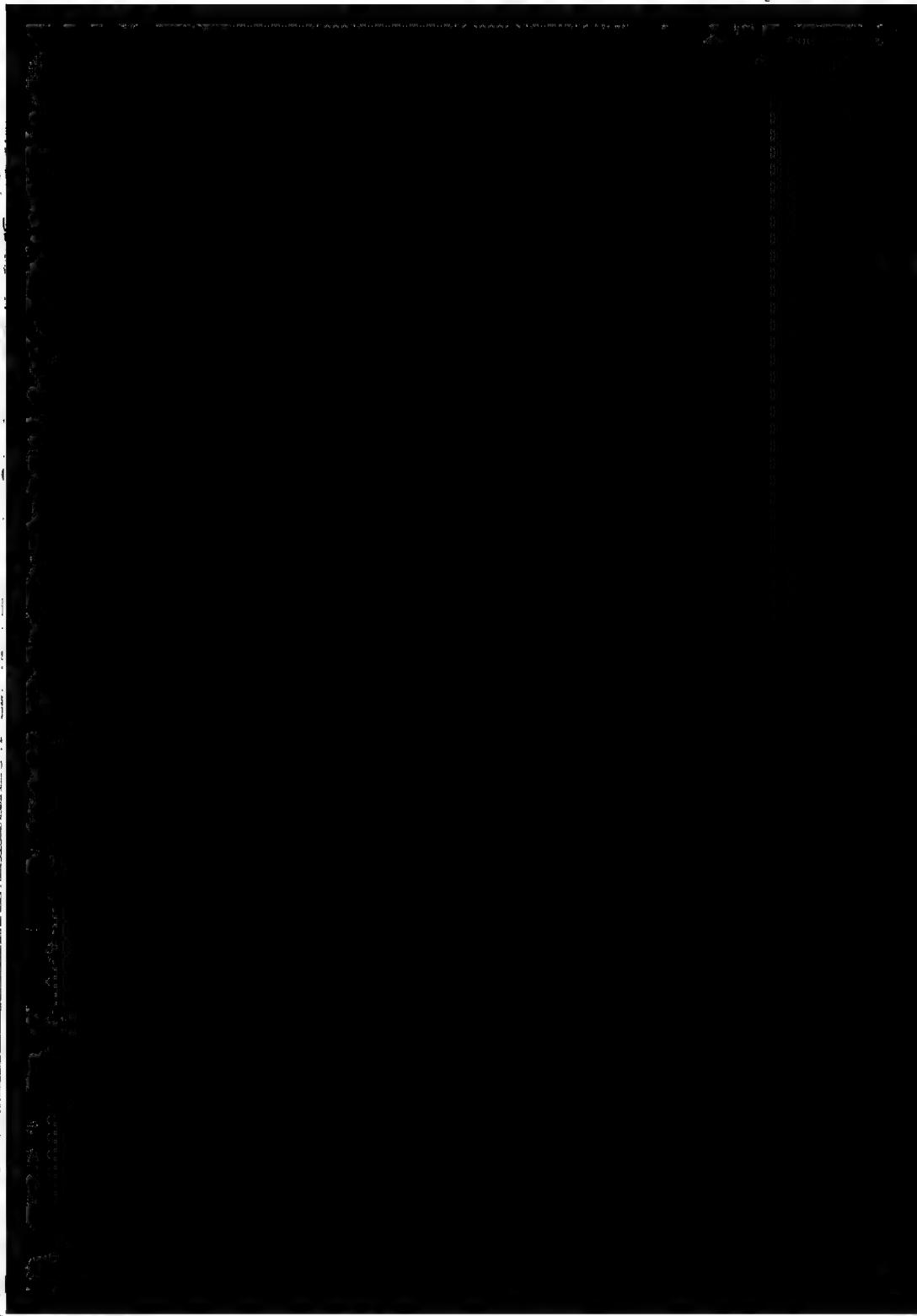
~~IT~~ ~~T~~ Again—The sprawling ITT conglomerate, already in hot water with Congress over its dealings in Chile, has a new problem closer to home. ITT

promised the Securities and Exchange Commission to tell its prospective mutual funds customers about its legal difficulties. The disclosures were supposed to have gone out in an amended pamphlet, dealing with ITT's Hamilton Fund, on Jan. 19. We sent a representative to ITT's mutual fund office in nearby Virginia to pick up copies. We found it still doesn't warn buyers about the legal problems. At Hamilton's headquarters in Denver, a spokesman said any renegeing on the promise to SEC must be "a failure in the field."

Message to Muskie — The presidents of General Motors, Ford and Chrysler have paid separate, private calls on Sen. Ed Muskie (D-Maine) to enlist his support for delaying the 1975 deadline when anti-pollution devices must be installed on automobiles. Democratic National Chairman Robert Strauss, whose law firm represents Chrysler, also spoke to Muskie about his meeting with Chrysler's President John Riccardo. Muskie told us that Strauss asked no favors but merely mentioned the meeting. In any case, the visits from the auto tycoons didn't impress Muskie. As chairman of the Senate Subcommittee on Air and Water Pollution, he is preparing to blast the auto manufacturers for not moving faster to meet the anti-pollution standards.

© 1973. United Feature Syndicate

STATOTHR



Washington
STAR
Sunday
25 MAR 1973

HS/HC-950

Approved

The CIA in Peace, War and Penury

By JOHN M. TAYLOR
Special to The Star-News

Press reports have lately confirmed that a curious development is taking place across the Potomac in the Langley woods. A major shakeup of the Central Intelligence Agency — long advocated, and not infrequently rumored — may be taking place.

According to the reports, incoming CIA Director James R. Schlesinger is setting forth on the largest personnel reduction in the agency's history, perhaps as great as 10 percent. One source has characterized the shakeup as resulting from White House annoyance at the agency's failure, under Richard Helms, to monitor its spending in a satisfactory manner.

Somehow a purge of CIA on budgetary grounds carries with it an element of paradox: it recalls the jailing of Al Capone for failing to pay his income tax. CIA has been charged with so many sins of omission and commission over the years that it seems somehow incongruous to bring it to task for overspending.

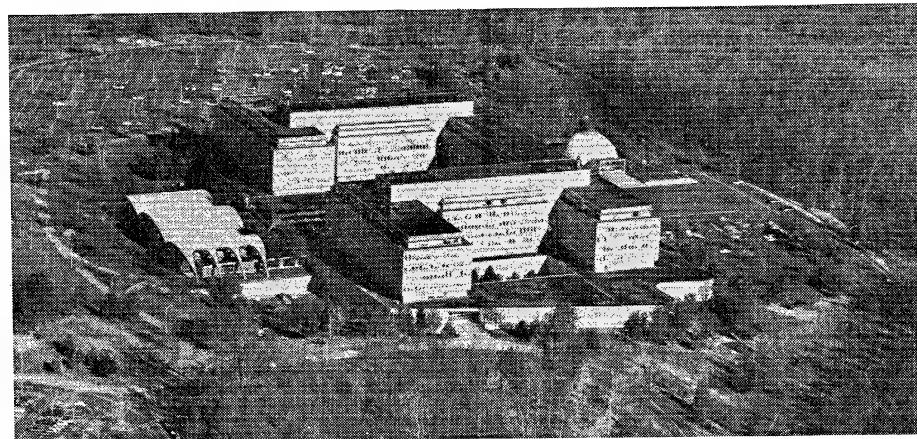
Whatever its genesis, though, the development is not without significance. And while it is Congress which, over the years, has called for tighter controls over the agency, the initiative today is with the White House.

WASHINGTON'S "intelligence community" is an outgrowth of World War II — the bureaucratic response to a conviction that there must never be another Pearl Harbor. To this end, some half-a-dozen agencies are today involved in some aspect of the intelligence game. Of these CIA is much the largest and best known, and it enjoys a virtual monopoly on the conduct of secret operations overseas.

It is a commentary on the mindless preoccupation with "security" which permeates the intelligence community that the American taxpayer does not even have a general idea of how much of his money goes for intelligence. Most estimates place the total at between \$5 and \$6 billion, of which perhaps \$700 million is for CIA exclusively.

The agency's vintage years were the 1950s and '60s, when containment of Communism was a byword and when in budgetary terms CIA represented nothing if not a great barrel of money.

From the nation's campuses the agency recruited the brightest and the best, a definition then sufficiently broad to have encompassed this writer. The director of CIA was given con-



The CIA's Langley, Va., Headquarters

—Harold Flecknoe

trol not only over his own agency, but made responsible for the operations of the various military agencies as well.

In its operations abroad, the agency's representatives often rode roughshod over the resident American ambassador, who in theory was the senior U.S. representative abroad. In 1963, I was once instructed to withhold an important item of intelligence from our ambassador to Thailand, Kenneth Young. The rationale was that the CIA chief wanted the ambassador replaced, and hoped that withholding the information in question would cause Young to embarrass himself in a press conference so as to bring about his ouster. Eventually, CIA had its way.

ALTHOUGH defenders of the agency contend that CIA suffers from an inability to publicize its successes, this is at best only partly true. Whenever the agency has suffered a severe reversal, it has usually managed to leak word of some success to counteract the bad publicity.

In 1956, after considerable embarrassment over its failure to provide any warning of the

Suez crisis, agency officials led newsmen on a tour of the so-called Berlin tunnel, from which CIA operatives had eavesdropped on telephone communications in East Berlin.

In 1963, at a time when the agency was still smirking over the Bay of Pigs, officials circulated summaries of information it had received from Oleg Penkovsky, a disaffected Soviet Army major who by then had been arrested and executed by the Russians.

More recently, agency officials have been accommodating themselves to the national questioning relative to Vietnam; in so doing they have let it be known that the CIA had long been critical of U.S. policy moves there, and have sought to dissociate the agency from those policy decisions which smacked of "escalation."

But here again a healthy skepticism may be in order.

First of all, the Vietnam war was a disaster for the agency in terms of its most critical responsibility, the gathering of intelligence information not available from overt sources. According to a White House study, our intelligence

agencies knew virtually nothing about Hanoi's leaders or their intentions, despite the fact that Vietnam had been a priority intelligence target since at least 1962.

In one memorable instance, LBJ is reported to have excoriated former CIA chief John McCone for his inability to generate information on that "raggedy-ass little fourth-rate country," North Vietnam.

Nor did the agency show great prescience in assessing the various policy options open to the United States in Vietnam. Considering that it was apparently our renewed bombing of last December, together with the mining of Haiphong harbor, which brought Hanoi back to serious negotiations in Paris, it is worth noting that same 1971 White House study characterized CIA as minimizing the probable effects of a mining of Haiphong.

THE AGENCY is aware that it has an image problem, but its moves to correct the problem have done nothing for the image itself. When a book highly critical of the CIA, "The Invisible Government," appeared in 1964, the

agency set up a full-time task force to dissect the book and to compile material with which it might be discredited.

In the case of a more recent book, "The Politics of Heroin in Southeast Asia," the agency was greatly embarrassed by charges that CIA had actively abetted groups engaged in the drug trade in Southeast Asia's "Golden Triangle." Against the author's protests, the publisher acceded to CIA's pointed request for an advance copy. "It is our belief," the agency huffed, "that no reputable publishing house would wish to publish such allegations without being assured that the supporting evidence was valid."

Harper and Row stuck to their convictions, albeit rather nervously, and the book went to press. But the rather ham-handed pressure on author and publisher is an interesting example of CIA double-think. On one hand, the agency releases information only if it puts the agency in the best possible light; it offers no assistance to outsiders probing into its record. Yet it demands that any criticism of CIA be documented, chapter and verse.

NOT EVEN its harshest critics expect CIA to disappear. The requirement for accurate foreign intelligence is one of the new demands of this century, and CIA would probably exist in some form even if there were no Cold War.

The problem of the intelligence community, however, is that it lacks the skills with which to carry out its grand designs. Thrown together in the late 1940s, at a time when professional intelligence officers were virtually nonexistent, CIA gained on the job training in Korea, Cuba and Latin America, but did so at tremendous cost to the image of America abroad.

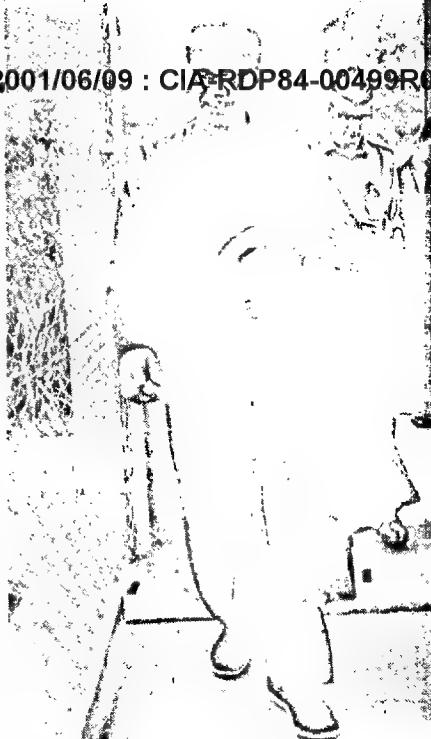
Sad to say, Schlesinger's problems do not end with CIA itself. The Defense Department agencies which he is expected to supervise have long had a reputation as being advocates for the armed services, with little interest in dispassionate analysis.

When CIA was constructing its great mausoleum in the Virginia woods, someone in authority felt the need for a motto in the foyer. Apparently in hope of divine sanction, his choice was that verse from St. John, "Ye shall know the truth, and the truth shall make you free." Not long after the Bay of Pigs, one agency official glanced at the motto and observed that a more appropriate choice might have been that verse beginning, "Father, forgive them...."

Approved For Release 2001/06/09 : CIA RDP84-00499R001000110004-0

TIME

MARCH 26 1973



DOWNEY RETURNING AT HONG KONG
Extremely subtle torture.

earlier this month. President Nixon appealed directly to Premier Chou En-lai, and Downey was released last week.

He did not think that there had been anything heroic about his long incarceration in a mazelike prison outside Peking. "I thought the 20 years were to a large extent wasted," he said at a press conference in New Britain, Conn. "I don't see that it benefited anybody. Not Uncle Sam or anybody else. I wouldn't recommend it for character building." He admitted that, under pressure, he had told his captors everything he knew. But it was "ancient history" without much importance. He is not planning to write a book unless a publisher is interested in "500 empty pages. Life in a Chinese prison is a crashing bore."

If someone had to be chosen to spend that much time in prison, probably a more resourceful man could not have been found. At Yale, Downey was a B.M.O.C.—a good student who majored in English literature, a sturdy guard on the football team and captain of the wrestling team. He was the kind of man the CIA liked to recruit, particularly in the cold-war days when the organization had glamour and an allure for ambitious, idealistic youth.

Downey has not described his brief, fateful career with the CIA. Another American P.O.W., Steve Kiba, has supplied the details. After he was shot down in North Korea in 1953, Kiba served part of his two-and-a-half-year sentence in the prison where Downey was confined. Downey told him that he had joined the CIA after graduation and was given paramilitary training, then was sent to Japan to work with Chinese Nationalists who were trying to get the mainland to get information. On one mission, nine agents were dropped by parachute at Ichol in Manchuria. They

almost immediately, and one broke down under interrogation. He agreed to radio Seoul, requesting that the CIA plane return to pick up one of the agents. Downey and a fellow civilian, Richard Fecteau, went along for the ride in the C-47, even though they did not have to; they were restless and itching for some action in the field.

Crunch. The plane was to make a low sweep over the appointed area, then drop a sling for the Nationalist agent to jump into. But as soon as the aircraft made the pass, the Communists opened fire with machine guns, and the plane was forced down. The pilots were shot; Downey and Fecteau were captured. The date was Nov. 29, 1952.

The first two years in prison were the worst. Downey spent ten months in leg chains. Kiba describes the prison food as consisting of a thin rice gruel for breakfast and rice with a few vegetables for lunch and dinner. Occasionally, the Chinese placed small white stones in the rice gruel. The famished prisoners would crunch down on the food and cut their mouths. "You had to learn to move your mouth around to sift out the stones," says Kiba.

Downey said he had been intensively questioned but not beaten in prison. According to another American airman taken captive, Wallace Brown, the Chinese employed an "extremely subtle torture that is as difficult as any other, and Downey had as much of that as anyone did." For days on end, a P.O.W. would be made to stand without sleep or food until he finally talked. When he refused, he was prodded with a rifle barrel and threatened with death.

When relations between the U.S. and China were strained, the prisoners suffered. When relations improved, they were better off. Fecteau was released in 1971. Though not permitted to read American newspapers during his imprisonment, Downey was given all the English-language Chinese publications he wanted. Despite the propaganda, he was able to glean from them an outline of world events. His family sent him hundreds of paperback novels.

He did not learn Chinese, but his captors proudly took him on tours to see the newest factories or farm machinery. Once a month, he was allowed to write a one-page letter to his mother. He once wrote that he had "done 23,000 calisthenics, run about 55 miles and washed about 100 items of clothing." He stayed sane, he says, by living in the present and forgetting about the future. "On a day-to-day basis, you'd be surprised how much time can be taken up by picayune chores like sweeping the floors. You learn just to go along."

Downey looked and acted well on his return. Uncertain about what he will do now, he is being compensated "some small way for the time taken from pay at the CIA amount to about \$350,000. "I wish it were \$2,000,000," says ex-Prisoner. "Whatever it is, it's not enough."

P.O.W.S

Twenty Years in China

In the winter of 1951, Mary Downey waved goodbye to her eldest son John at a small Connecticut train station. She had only a vague notion of the job he was going to take in Japan—it had something to do with the Korean War. "A shudder went through me then," she recalled, "and I have always felt it to be a premonition of the horrible thing that was to happen to Jack."

A year later, she was informed that he was missing on a flight from Japan to Korea. In 1953, she received his death certificate from the Defense Department. The following year, Jack Downey appeared on trial in China as the archcriminal of all U.S. prisoners. He was sentenced to life imprisonment. After many pleas, Mary Downey was permitted to visit her son five times. In '75, he suffered a severe stroke.

Approved For Release 2001/06/09 : CIA RDP84-00499R001000110004-0

The Evening Star and The News

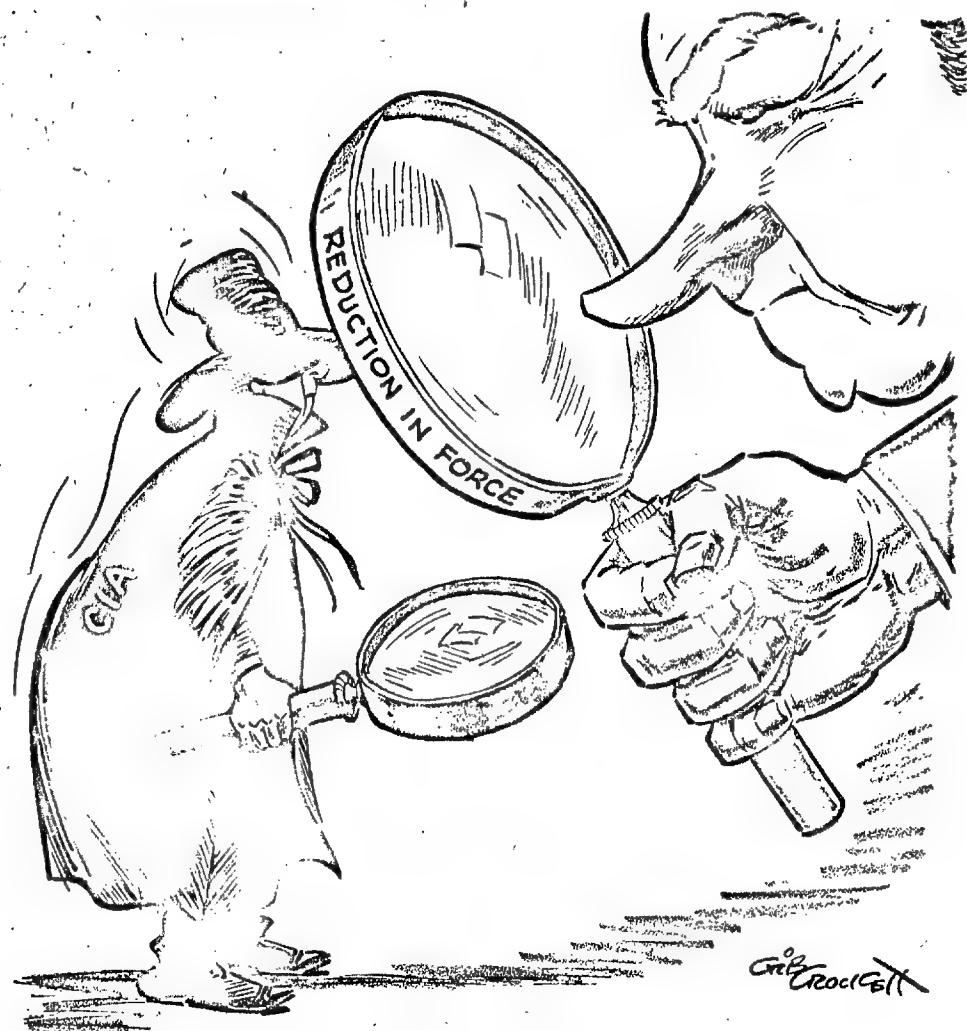
CROSBY N. BOYD, *Chairman of the Board*

JOHN H. KAUFFMANN, *President*

NEWBOLD NOYES, *Editor*

A-14 *

FRIDAY, MARCH 23, 1973



BEST COPY

Available

Victor Zorza

Politics and the CIA

Washington Post
22 March 1973

A mischievous attempt to undermine the Central Intelligence Agency is now, in the view of some old CIA hands, well on the way to success. They say that a drastic purge of the agency's leadership which, they claim, is being "policed" by the Nixon administration in the manner of the FBI, is now in progress. They fear that, if events are allowed to take their course, the national interest may be gravely damaged.

Officials rebut this by claiming that the "purge" is no more than a series of long-delayed resignations. The "intelligence community," they say, is not being purged, but is merely being "reorganized" in keeping with a 1971 presidential directive which the previous CIA Director, Richard Helms, failed to carry out. As the directive was clear, they say, Mr. Nixon was concerned with making the intelligence community more efficient, not more political.

Leaders of the CIA reply that Helms, the professional who wanted to keep intelligence out of the political arena, was probably going slow on the Nixon directive in the hope that it might not have to be carried out. His replacement by James R. Schlesinger, the Rand systems analyst who worked for Nixon in the Office of Budget Management, and was then appointed head of the Atomic Energy Commission, was, they say, "predetermined." It was Schlesinger who drew up the Nixon intelligence directive.

The intelligence professionals point to the avowedly political direction of the attack on the CIA spearheaded by Joseph Alsop's columns. These articles, they claim, display an advance knowledge of facts about the reorganization, and of sensitive intelligence information, that seem to have come from the White House or Schlesinger.

They point out that the columns identified the Chairman of the Board of Estimates, John Huizenga, as the most responsible intelligence officer, as the carrier of the "liberal" faction, and that they have proclaimed as impending replacement of the most pungent and persistent critic of the CIA estimates of the existing hierarchy."

This man, Major General Daniel Graham of the DIA, Pentagon's Defense Intelligence Agency which has carried on bitter feuds with the CIA, has received much praise in several columns which describe in detail the stand he took on a number of sensitive issues, and which imply that his views are closer to those of the White House than are the CIA's. Since the General insists that he is not the source of this information, his colleagues assume that it may have been leaked at a higher level as part of the operation designed to undermine the CIA.

Intelligence officials deny that Huizenga, who has a year to go before he becomes eligible for retirement at 60 under the CIA's rules, is being dropped as chairman. They say that Schlesinger has appointed General Graham only as chairman of the new, though admittedly powerful, inter-agency committee which is to be the main tool for the reorganization. The committee is being fashioned into something like the "general staff" of the intelligence community so that it may rise above the persistent rivalries among its disparate parts (especially the conflicts between the military and the civilians.)

Military intelligence has claimed that the CIA, which controls only about 15 per cent of the community's budget resources, has dominated the various parts, instead of coordinating them. But some old CIA hands argued that if Schlesinger's "general staff" was apportioned on this percentage basis, the military would become predominant. The intelligence community might then come to express the institutional interest of the military rather than the national interest which the civilian CIA has sought to safeguard.

In a Solomon's judgment which Schlesinger has communicated to the heads of other agencies, he has split the difference into the equal- or almost equal-parts. Roughly half of the new staff will be in uniform and half out of it. The CIA will have no more than 49 per cent of the staff posts, but the balance may still be held by the "civilians," because the one per cent would be provided by the State

Department's relatively small Intelligence and Research Bureau.

Is this a system analyst's solution, or a politician's inspired compromise? While CIA officials maintain their traditional silence, retired CIA men who are concerned about the organization to which they have given their working lives wonder whether they should counter in public what they describe as the "calumnies" being written about the CIA. They agree that changes are needed, but the signs suggest to them that the baby may be thrown out with the bath water.

They are not worried about the "Department of Dirty Tricks," which has long been due for modernization or the equally overdue staff cuts. They are concerned about the agency's intricate analytical structure whose partiality is under attack—and whose integrity, they hold, must be protected in the national interest.

It may be that Senator Stuart Symington (D-Mo.), who has often said the problems of the intelligence community ought to be frankly discussed, is now in a position to chair Senate hearings on the subject. It may be that Schlesinger, who believes that the CIA ought to "open" itself to the public, is now ready to put his views and his plans on record. This may be the only way to maintain the morale of a small but vitally-important part of the intelligence community, the way to undo the harm caused by the publication of indiscriminate charges against the CIA, and to turn what threatens to become a spiteful public controversy into a thoughtful and necessary national debate.

The world is changing, and so is the role and function of intelligence. The CIA has paid a heavy penalty in recent years for refusing to change fast enough. The Nixon-Schlesinger formula may be no more than a long overdue attempt to modernize it. But that's what it is, both the intelligence community and the public ought to be taken into confidence by the government to the fullest extent possible. So far, they have heard little more than meaningless assurances and innuendo.

© 1973, Victor Zorza

HS/HC 950

WASHINGTON STAR, THURSDAY, 22 MARCH 1973

ITT Claims Fund Was for Aid

By JEREMIAH O'LEARY
Star-News Staff Writer

A senior ITT executive said today that his corporation's 1970 offer of \$1 million for use in Chile was intended to demonstrate to Marxist presidential candidate Salvador Allende that ITT had confidence in Chile and wanted to stay there.

The testimony before a Senate subcommittee by Edward Gerrity, vice president for corporate relations, differed sharply from what former CIA director John McCone told the committee yesterday.

Gerrity said that the first time he had heard the Interna-

tional Telephone & Telegraph Corp. had offered to supply \$1 million to block Allende's election was when McCone, now an ITT director, disclosed it yesterday.

Sen. Charles Percy, R-Ill., a member of the Senate subcommittee on multinational corporations, said "the implausibility of this story bothers us. It doesn't hold together that ITT was trying to work with Allende. It's unbelievable that ITT would propose supplying this fund for the development of Chile to the CIA instead of the State Department."

Gerrity's testimony appeared to be in direct contradiction to McCone's account of the \$1 million offer.

Giving his version of the \$1 million ITT fund, Gerrity said "it was plain (in the fall of 1970) that Allende was going to be elected. I discussed this with ITT President Harold S. Geneen and we considered the chances were 90 to 10 that Allende would expropriate our Chilean properties.

"Geneen told me that perhaps ITT could demonstrate to Allende that the company had confidence in Chile and he said we ought to go to the State Department to see if there was any plan for private industry to reassure Allende.

"The idea was to get together with a group of other companies and to help the Chilean economy and reaffirm our confidence with some projects like low-cost housing, farming and other joint ventures. We said that if the State Department came up with something along these lines we would put forward a figure of about seven figures," Gerrity said.

Chairman Frank Church, D-Idaho, said, "we can't find any plan for technical assistance or housing in the ITT documents we have."

Gerrity replied, "in spite of all discussions, no action was ever taken against Allende."

Sen. Clifford Case, R-N.J., asked, "this million dollars was not intended to be disruptive but only to make Allende happy about the American presence?"

Gerrity said that ITT officials told the State Department and presidential national security adviser Henry A. Kissinger that they would participate with other companies in

such a development plan "under your aegis" but he said "we never got a response and decided the U.S. government was not interested."

Gerrity testified he had only met CIA Latin American chief William B. Broe once and that the CIA official made suggestions to him that banks should not renew credits to Chile, that companies should delay shipments there, that pressure be brought on companies to close down and that the United States should withdraw all technical assistance.

Church said these suggestions sounded to him as if they

See CHILE, Page A-8

HS/HC-950

ITT Says \$1 Million Was for Aid to Allende

Continued From Page A-1

were intended to create economic problems in Chile. Gerrity agreed and said Broe told him that money was not a problem.

"I never heard of that \$1 million and its intended use until I heard Mr. McCone yesterday. I had a different understanding of what it would be used for. It is not my information that any was made available" for economic disruption in Chile.

Gerrity said he did not think Broe's ideas were very good at all and that he didn't see how ITT could induce other companies to follow Broe's suggested plan because "it would be self-defeating to induce economic chaos in Chile."

Gerrity further testified that Geneen agreed that the Broe plans were not workable but suggested the CIA agent be handled carefully.

"Geneen said to me it doesn't make sense," Gerrity testified. "We didn't want any part of it."

The senators pointed out another conflict in testimony when Gerrity said Jack Neal, a former diplomat and director of ITT international relations here, had been sent to inform two U.S. officials of the company proposal to apply \$1 million to technical assistance projects in Chile.

Gerrity said Neal was sent to discuss this with former Assistant Secretary of State for Inter-American Affairs Charles A. Meyer and Viron P. Vaky, then Latin American specialist on the Kissinger staff.

Church told Gerrity that Neal testified earlier this week that he did not go into any details of how the money was to be spent. The subcommittee indicated it may recall Neal to explore the inconsistency between his testimony and Gerrity's.

Sen. Edward Muskie, D-Maine, told Gerrity that even if the \$1 million was for social or constructive purposes it might be regarded as an act of political intervention.

Asked about recommendations made by ITT operatives Hal Hendrix and Robert Berrellez from Santiago on possible means of stopping Allende's election, Gerrity said their job was to report to

ers," on the Chilean situation but that all their recommendations were funneled to ITT decision-makers.

Gerrity said that in October 1970, between the popular election and Allende's run-off victory in Congress, ITT tried to pin down the State Department on its attitude.

"We wanted State to put in writing its attitude toward Chile," Gerrity testified. "I wanted their views on what would happen in Chile and what they would do if we were expropriated."

He said there were many proposals made in staff papers about reducing the U.S. diplomatic presence and other economic measures but said these were not adopted and were only staff papers that are common in business practice.

"I have heard that the United States has contingency plans for the invasion of Canada," Gerrity told the subcommittee, "but that doesn't mean we're going to do it."

He acknowledged that Geneen met on Aug. 4 with then-Atty. Gen. John Mitchell but understood the conversation was about antitrust policy not Chile. He also said that Geneen and ITT Washington chief William Merriam had met with White House aides Charles Colson and John Ehrlichman but that once again the discussion was about antitrust matters, not Chilean affairs.

"We'd still like to work out some kind of arrangement with Allende that would be fair to Chile and to us," Gerrity said. "But frankly, we preferred that Allende not be elected. He was elected, he did expropriate us and we have not been compensated."

Wednesday, Mar. 21, 1973 THE WASHINGTON POST



By Margaret Thomas—The Washington Post

ITT's Merriam: "I had no notion he (a CIA operative) was clandestine."

ITT Official Says CIA Man Backed Anti-Allende Plans

By Laurence Stern
Washington Post Staff Writer

A top Central Intelligence Agency operative "approved" plans by the International Telephone and Telegraph Corp. intended to block the election of President Salvador Allende in Chile in 1970, an ITT official told senators yesterday.

William R. Merriam, a vice president and former chief Washington representative for ITT, acknowledged that he and other executives of the corporation met repeatedly with the CIA executive—Wil-

Services—to discuss anti-Allende strategy.

He said Broe specifically gave his assent to an ITT plan to subsidize an anti-Allende newspaper in an effort to promote political opposition to the Marxist candidate in the 1970 election.

In a morning of halting testimony punctuated by frequent lapses of memory, Merriam gave the Senate Foreign Relations Subcommittee on Multinational Corporations a general picture of close liaison between ITT and the CIA throughout 1970 and 1971.

Idaho), is negotiating with the CIA for Broe's testimony in order to determine to what extent he was carrying out the agency's policy in his dealings with ITT and other American companies.

At one point Merriam referred to Broe as "our man" in the agency. The CIA official, who held the equivalent of a GS-18 Civil Service rank, was in charge of all covert intelligence programs in Latin America and reportedly sat in on top-level National Security Council meetings dealing with his region.

He has since been transferred to ITT, AIA, Col. 3

HS/HC-938
Approved For Release 2001/06/09 : CIA-RDP84-00499R001000110004-0

Sphere Chief of Clandestine by Sen. Frank Church (D)

cont.

CIA Man Backed Anti-A

ITT, From A1

red to another job in the agency. The CIA is understood to have refused to permit him to testify publicly in the proceeding.

Merriam said he was introduced to Broe by ITT's board chairman and chief operating officer, Harold S. Geneen, at the Sheraton Carlton Hotel on the night of July 16, 1970. Geneen "told me to stay in touch with Mr. Broe," Merriam said.

Merriam testified he was unaware of Broe's role in the CIA's covert wing, which operates under the Deputy Director for Plans.

"I had no notion he was clandestine," the ITT official testified. "We had lunches in places where 300 or 400 people were present," he added to a roar of laughter from the committee room.

On one occasion, Merriam testified, Broe told him the CIA had contacted a group of American businesses in hopes of applying anti-Allende political pressure through concerted economic action.

In an Oct. 7, 1970 memo to Edward Gerry Jr., ITT's senior vice president for corporate relations, Merriam related that Broe had told him "repeated calls to firms such as GM, Ford and banks in California and New York have drawn no offers of help. All have some sort of excuse." The memo was one in a series made public last year by columnist Jack Anderson.

Asked by subcommittee members who made the "repeated calls," Merriam said Broe told him it was the agency.

Merriam further confirmed that—on the strength of information from Broe—he had advised ITT board member and former CIA Director John McCone on Oct. 9, 1970 that the Nixon administration "will take a very, very hard line

when and if Allende is elected." In the memo Merriam reported Broe's assertion that all sources of U.S. monetary aid to Chile would be cut off "as soon as expropriations take place.

Pressed by members of the Senate panel on the sources of Broe's intelligence, Merriam replied that "I believe as a member of the CIA, he (Broe) had periodic meetings with the White House staff."

At one point Sen. Clifford P. Case (R-N.J.) incredulously asked Merriam why the CIA should ask ITT to pressure the White House on Chilean policy matters.

Sen. Stuart Symington (D-Mo.) observed that "the CIA reports only to the President."

"... And apparently to Mr. Merriam," Case snapped.

Merriam was transferred to Rome after the surfacing of the ITT papers and now specializes in international trade matters. He said that Broe used to send a special messenger to pick up ITT's own field intelligence reports, and that Broe regarded the ITT data from Chile as highly as any intelligence reports from other sources.

In February, 1971, ITT took a leading part in an effort by American business interests in Chile to put pressure on the Allende government against expropriation of their holdings.

The subcommittee made public an internal memo by Bank of America's Washington representative, Ronald R. Raddatz. It described a meeting in Merriam's office on Feb. 9, 1971, attended by representatives of five other U.S. companies doing business in Chile: Anaconda, Kennecott, W. R. Grace, Pfizer Chemical and Ralston Purina.

"The thrust of the meeting," the memo related, "was toward the application of pressure on

the government wherever possible to make it clear that a Chilean takeover would not be tolerated without serious repercussions following.

"ITT believes that the place to apply pressure is through the office of Henry Kissinger. They feel that this office and the CIA are handling the Chile problem," Raddatz reported to his superiors.

Merriam described the meetings of an ad hoc committee "a very informal group." He acknowledged, however, that the Allende government had indicated at the time that it was prepared to bargain in good faith for compensation on the seizure of ITT's Chilean Telephone Co.

Speaking of the companies in the "ad hoc group," Church said "if I ever found out that those companies were meeting concerning an election of mine, I'd be concerned."

The ITT testimony and supporting documents show that the anti-Allende campaign was most intense between the Sept. 4, 1970 popular election and the final congressional runoff Oct. 24. Allende had to contend in the runoff because he failed to win a clean majority in the popular election.

During the interim period two ITT field operatives, Harold Hendrix and Robert Berrellez, recommended purchase of advertising by U.S. firms in the anti-Allende Mercurio chain of newspapers and the hiring of "propagandists" in radio and television to support Allende's opposition.

The object of the campaign was to restore Christian Democrat Eduardo Frei Montalvo, regarded by ITT as friendly to its interests, to the presidency through a series of political maneuvers. These proposals had been reviewed by Broe, according to Merriam's testimony.

Allende Plan, Probe Told

In a press release issued at the start of yesterday's opening hearing, ITT said it had never taken any improper actions in Chile. "It is ITT's opinion that it is perfectly proper to appeal to the government to protect against unlawful expropriation and that the government is justified in taking requests of this kind into account so it may formulate appropriate national policy," the company said.

Under questioning by the subcommittee, Merriam acknowledged setting up a meeting in September, 1971 between Geneen and then-White House adviser on interna-

tional economic policy Peter Peterson. After the session Merriam sent Peterson an 18-point ITT draft program designed "to see that Allende does not get through the crucial next six months."

It included such measures as cutting off private lines of credit to Chile, subsidizing the anti-Allende press and discussing "with CIA how it can assist the six-month squeeze." Although credit restrictions were imposed on Chile by the Export-Import and Inter-American Development Banks, there is no evidence that the Nixon admin-

istration adopted the ITT program submitted to Peterson.

Merriam also acknowledged that former Treasury Secretary John Connally set up another meeting between Geneen and Peterson in April, 1971, to discuss ITT's anti-trust differences with the Justice Department, which wanted the company to divest the \$2 billion Hartford Fire Insurance Co.

The Connally intercession was first disclosed last weekend with the release of Securities and Exchange Commission internal working papers by the House Commerce Committee.

END

THE NEW YORK TIMES, WEDNESDAY, MARCH 21, 1973

C.I.A. Cutting Personnel In Agency's Biggest Layoff

1,000 Posts to Be Abolished

By SEYMOUR M. HERSH

Special to The New York Times

WASHINGTON, March 20—

James R. Schlesinger, the new Director of Central Intelligence, has begun the largest personnel cutback in the history of the agency.

Unofficial C.I.A. sources estimated that at least 1,000 — and possibly as many as 1,800 of the agency's approximately 18,000 jobs would be abolished by the end of the current fiscal year, June 30.

An official agency source acknowledged that what he termed a "reduction in force" — known in the Government as a RIF — was under way "on a very selective basis" to eliminate "marginal performers." But he would give no figures for the cutback.

No official announcement of the cutbacks has been made to employees at the C.I.A. head-

Continued on Page 13, Column 1

HS/HC-950

C.I.A. Cutting Personnel in Agency's Biggest Layoff

Continued From Page 1, Col. 2

quarters in nearby Langley, Va., creating much uncertainty there.

"This is the first place I've ever been in where all the rumors come true," one agency employee said. "You get a call and get an interview and that's it," he said, describing the job-elimination process. "No preliminaries and ceremonies. They just give the word."

"Nobody feels safe," the source added.

High-Level Shake-Up

In addition to the layoffs, Mr. Schlesinger has initiated a high-level shake-up of key management positions inside the agency, and is expected to continue his efforts to trim manpower and cut costs in other intelligence agencies, such as the Defense Intelligence Agency and the National Security Agency.

He has reportedly been told by President Nixon to improve the efficiency of the nation's over-all intelligence operations, which costs more than \$6-billion a year.

The C.I.A. reportedly spends about \$602-to \$800-million annually, although it is not known whether all of the agency's costs for its extensive Southeast Asian operations are included in that estimate.

Intelligence sources acknowledged that there was much waste in the personnel structure of the C.I.A.

"There's a lot of fat and a lot of dead wood that he's getting rid of," one agency em-

ployee said. "I guess I'm for it as long as it doesn't include me."

Another employee complained that many of his colleagues "don't understand what the criterion is" for the job eliminations. "There's no hard data; no facts," he said, adding that a seemingly heavier portion of the jobs had been abolished from management staff and the agency's Research and Development, situated in nearby Rosslyn, Va., was said to be particularly affected. The office is responsible for most of the agency's basic research projects.

'A Wringing Out'

The official C.I.A. source, however, described the cuts as being "across the board" and not limited to any specific office. "What's going on is not a mindless cutting," the source said, "but a real search for the minimal performers and a wringing out."

Those officers with low fitness reports would be among the first to retire, he said.

Unofficial sources said that an appeal mechanism had been set up for those employees who wish to challenge the decision to eliminate their jobs. Those who make such appeals, the sources said, face the prospect of immediate retirement should their efforts fail.

A former high-level C.I.A. official expressed surprise when told today of the large-scale personnel cutbacks ordered by Mr. Schlesinger. "The C.I.A. doesn't have RIFs," he said. "That's always been considered a security risk."

The only significant cutback

in the agency's history took place shortly after John J. McCone was named director in 1961 by President Kennedy, a few months after the aborted Bay of Pigs invasion of Cuba.

About 260 agents employed by the agency's clandestine service were eliminated then, the former official said, "and that was very carefully handled."

Some Congressmen serving on intelligence committees, while reluctant to speak for the record, applauded Mr. Schlesinger's cutbacks and indicated he would get full Congressional approval.

"I'm convinced that we're gathering a whole lot of information we don't need," one senior Congressman said. "It's been pretty hard to pull our horns in."

Mr. Schlesinger, who re-

placed Richard Helms early last month, has established a new intelligence research advisory committee inside the C.I.A. that is expected to monitor the intelligence activities of defense agencies closely.

The only major intelligence office in the Government that is expected to escape personnel cutbacks is the State Department's Bureau of Intelligence Research, headed by Ray S. Cline, a former high-ranking C.I.A. official. Mr. Cline's 300-man department has been authorized to request 100 more positions next year, and was allocated 30 new personnel spots in the current budget.

Some Government officials have urged that the State Department unit be upgraded in an effort to supply more independent intelligence judgments on critical questions.

THE NEW YORK TIMES, WEDNESDAY, MARCH 21

SPECIAL



WASHINGTON, D. C., WEDNESDAY, MARCH 21, 1973—108 PAGES

Phone 484-5000 CIRCULATION 484-3000
CLASSIFIED 484-6000 10 Cents

CIA Chief Launches Big Cutback in Force

By SEYMOUR M. HERSH
New York Times News Service

James R. Schlesinger, the new director of the Central Intelligence Agency, has begun the largest personnel cutback in the history of the agency.

Unofficial CIA sources estimated that at least 1,000—and possibly as many as 1,800—of the agency's approximately 18,000 jobs will be abolished by June 30.

In addition, the CIA director is expected to continue cutbacks in other intelligence agencies, too, such as the huge National Security Agency, staffed by 100,000 people, and the Defense Intelligence Agency, which employs about 3,000.

An official agency source acknowledged that what he termed a "reduction in force"—known in the government as a RIF—is under way "on a very selective basis" to eliminate

"marginal performers." But he would give no figures.

No official announcement of the cutbacks has been made to employees at CIA headquarters in Langley, Va.

"This is the first place I've ever been in where all the rumors come true," one agency employee said. "You get a call and get an interview and that's it," he said, describing the job-elimination process.

In addition to the layoffs, Schlesinger has initiated a high-level shake-up of key management positions inside the agency.

He reportedly has been told by President Nixon to improve the efficiency of the nation's over-all intelligence operations, which costs more than \$6 billion a year.

The CIA's Office of Research and Development in Rosslyn is said to be particularly affected. The office is responsible for most of the agency's basic research projects. The official CIA

source, however, described the cuts as being "across the board" and not limited to any specific office.

The Associated Press quoted sources as saying that reports of a 10 percent reduction at CIA are high. In some cases, sources told AP, some employees have been transferred to other jobs, and some administrative personnel have been reshuffled.

A former high-level official expressed surprise when told of the large-scale personnel cutbacks. "The CIA doesn't have RIFs," he said. "That's always been considered a security risk."

The only significant cutback in the agency's history took place shortly after John J. McCone was named director in 1961 by President Kennedy, a few months after the aborted Bay of Pigs invasion of Cuba. About 260 agents employed by the agency's clandestine service were eliminated then, the former official said, "and that was very carefully handled."

HS/HC-950

C.I.A.-I.T.T. PLANS ON CHILE REPORTED

Company Aide Says Agency
Also Urged Measures to
Bar Allende in 1970

By EILEEN SHANAHAN

Special to The New York Times

WASHINGTON, March 20 — A vice president of the International Telephone and Telegraph Corporation said today that a top official of the Central Intelligence Agency had "agreed with the recommendations" the corporation made to try to prevent the election of Salvador Allende Gossens, a Marxist, as President of Chile.

The recommendations in 1970 reportedly included steps to maneuver the departing Chilean President back into power, to foment violence that might bring about a military takeover of the country, to use American governmental agencies to supply anti-Allende propaganda to other Latin American countries, or some combination of these things.

The C.I.A. official who was said to have "agreed with" these proposals was William V. Broe, director of the agency's clandestine activities in Latin America.

Tells Senate Panel

The I.T.T. official who testified about this conversation and many others with Mr. Broe and other high officials of the United States Government was William R. Merriam, formerly head of the corporation's Washington office.

Mr. Merriam was the first witness to be heard in public session by a special subcommittee of the Senate Foreign Relations Committee that is headed by Senator Frank Church, Democrat of Idaho.

The subcommittee will conduct what is expected to be a two-year inquiry into the behavior of United States cor-

C.I.A.-I.T.T. PLANS ON CHILE IS CITED

21 MAR 1973

Continued From Page 1, Col. 4
porations that operate around the globe.

Among the main things the subcommittee wants to find out is the extent to which these multinational corporations influence United States foreign policy.

The first two weeks of the hearings will deal exclusively with the reported attempts of International Telephone and Telegraph to enlist the help of various branches of the United States Government to keep Dr. Allende out of office.

It is not yet known whether any official of the Central Intelligence Agency will testify, in person or in writing, in public session or behind closed doors, about the agency's activities regarding Chile. The subcommittee was said to be negotiating with the C.I.A. about this.

What came of the reported agreement on a course of action between the corporation and the agency was not made clear in the opening day's hearings.

Dr. Allende was elected president of Chile and took office on Nov. 3, 1970. He subsequently took over business properties belonging to I.T.T. and some other United States companies, as he had promised in his campaign and as corporation officials had feared he would.

The picture that emerged from the day's testimony was of the Central Intelligence and International Telegraph as hard-line anti-Communist groups that greatly feared Dr. Allende's accession to power and that worked together to try to persuade the State Department and Henry A. Kissinger, the White House adviser on National Security, to adopt an equally hard anti-Allende view.

Disclosed a Year Ago

The outlines of the corporation's attempt to enlist the help of the Government to preserve its interests in Chile were disclosed a year ago when portions of a number of internal I.T.T. documents were published by the columnist, Jack Anderson.

Anderson.

Today's testimony, together with additional documents made public by the subcommittee — documents that were voluntarily submitted by the corporation — depicted a much more prolonged and extensive pattern of consultation between the company and various government officials than had previously been disclosed.

Mr. Merriam spoke, for example, of "25 visits" to the State Department and of having talked with Mr. Kissinger and members of his staff for a "year."

His testimony also indicated that most of the visits by company officers to six high Nixon Administration officials in 1970 and 1971 — these were disclosed yesterday by another Congressional committee — had the dual purpose of talking about the company's antitrust problems with the Justice Department and about I.T.T.'s attempts to keep Dr. Allende from being elected and, later on, attempts to oust him.

The ouster plans centered on ideas to bring about "economic collapse" in Chile, according to company documents and testimony.

Other Companies Approached

As part of this plan, according to Mr. Merriam, C.I.A. officials made "repeated calls to firms such as General Motors, Ford Motor Company and banks in California and New York," asking them to stop or reduce their activities in Chile to hurt her economy. These companies, refused, according to other I.T.T. documents that were put into the record.

Among other items of economic warfare against the Allende Government that were proposed by the company were a cessation of all United States aid, under the guise of a review, and intercession with the World Bank and the Inter-American Development Bank to get them to stop making loans to Chile. It was not clear whether any of these proposals were accepted.

Mr. Merriam also acknowledged, when asked, that a group of Washington representatives of companies with economic interests in Chile had met several times in his office to discuss how to cope with the Allende Government.

It was not he who initiated the meetings of this ad hoc group, Mr. Merriam said, but rather the Washington representative of the Anaconda Copper Company. Other companies represented included, he said, Kennecott Copper, W. R. Grace and the Bank of America. Such meetings among corporate representatives in Washington occur "all the time," he said.

Mr. Merriam said that the group had never arrived at any conclusions on what to do.

Senator Edmund S. Muskie, Democrat of Maine, asked why I.T.T. wanted to bring about the collapse of the Chilean economy if its aim was, as Mr. Merriam said, to make sure that Chile gave the corporation "better terms" in payment for Chitelco, the telephone company owned largely by the corporation after the Allende Government took it over.

Mr. Merriam replied that he thought "the threat of economic collapse" might prove effective with Mr. Allende "if he knew that the banks might stop lending."

Senator Muskie suggested that the threat was an attempt to "blackmail Allende."

THE WASHINGTON POST *Sunday, March 18, 1973* A 7

Downey: A CIA Agent in From the Cold

Recruit on Double Mission Over China When Captured in 1952

By Thomas O'Toole
Washington Post Staff Writer

There were 30 of them there that day in 1951, 30 graduating Yale seniors all drawn to a small room on the New Haven campus by a recruitment notice on the bulletin board. One of them remembers that the notice was next to one put there by Procter & Gamble.

They were met by a middle-aged man dressed in the Ivy League flannels of the day, noteworthy for nothing except that he smoked a pipe and wore the Yale tie. He told the seniors that he's been a member of the OSS (Office of Strategic Services) during World War II and had operated behind German lines all during the Allied advance across Europe. He said he was now with the Central Intelligence Agency, which was then so new that

none of the Yale seniors had heard of it.

The recruiter said he was at Yale to bring qualified bright young men into the CIA, which needed to grow because of the Chinese intervention into the Korean War. He said little about what qualified bright young men could expect in the CIA, leading several of the Yale seniors to press him on what they might have to do.

"Well, this is purely hypothetical," the recruiter said, "but we might expect you to parachute into China to help set up a communications apparatus, sort of get things started."

Hypothetical as it might have been at the time, that is almost what Jack Downey was doing in 1952 when he was captured by the Chinese in the foothills of the Manchurian mountains. Downey refused to discuss his mission

when he was released two weeks ago after 20 years in a Chinese prison, but reliable sources say he was on a double mission that fateful day when his C-47 aircraft was shot down by small arms fire inside China.

For years, the United States had disavowed Downey's mission and whereabouts the day he was caught.

Downey's friends say he could have been released as early as 1955 if the United States had only acknowledged that he was a CIA agent. His friends call him a victim of the Cold War, a victim of the China Lobby that kept the United States friendly with Chiang Kai-shek and a victim of the virulent anti-Communism of the '50s and '60s.

See DOWNEY, A7, Col. 1

How a Young Man Went From

DOWNEY, From A1

been that Downey was a Defense Department employee, on an authorized flight from Seoul to Tokyo the day his plane was lost.

Downey had been a CIA agent for more than a year, one of a dozen Yale graduates who had been recruited off the campus that day in 1951. He was participating in a tradition that grew through the fifties and on into the sixties, when Yale men tended to dominate the ranks of the CIA.

Downey was stationed by the CIA in Japan, where he trained Taiwanese from Chiang Kai-Shek's isolated island in the arts and crafts of the profession he'd been taught in Washington. Downey was considered one of the best young agents in the Far East. He was strong, durable, quickminded and a born leader of men.

That leadership was obvious even in Downey's early CIA days. His class of 40 was asked at the end of their training which man in the class they'd like to lead them or be with them in trouble sports. Thirty-one of the 40 chose Downey.

Most of that class wound up in South Korea or Japan, where they trained South Koreans and Taiwanese in espionage. The work was routine, but it had its moments of danger. One agent (also a Yale classmate of Downey's) remembers going aground in the fog off the coast of North Korea, where his "fishing junk" was dropping Korean agents into the north.

"We thought we were aground on an uninhabited island, where we'd be safe until the tide lifted us off," he said. "Then the fog began to lift and we discovered we were less than 100 yards from the main railroad line that moved men and supplies down from Vladivostok."

Nobody but Downey knows how many missions he flew over China, but the men who knew him in the CIA assume he'd been there more than once. One former agent said there was never any need for Downey to be on the



Associated Press

JOHN DOWNEY
... CIA recruit

plane. He said that while Downey didn't defy regulations, he overstepped his participation in the mission by being on the plane.

"Jack flew with his men because he liked them and wanted to be with them when they jumped," the one-time agent said. "That was one reason he was there. The other one, I guess, was that it was a lovely moonlit night and Jack just wanted to see China."

The mission Downey flew is believed to have been a double one. It is understood the C-47 was to pick up a Taiwa-

nese agent who was already inside China. The plane was then to continue on to the mountains of Manchuria and parachute seven other Taiwanese into China to set up a communications base.

Downey's plane never made it to the mountains. Sources said the Chinese arrested the Taiwanese agent Downey was supposed to pick up before Downey's plane left for China. Sources also said the Chinese intercepted radio messages inbound to the Taiwanese agent, which alerted them to the time and place of the pick-up.

When Downey's plane flew into China, men and weapons were waiting for it. The C-47 is understood to have come in low and slow over the spot designated for the pickup when Chinese troops opened fire on the plane.

The C-47 crash-landed in a Manchurian field, which explains how Downey is said to have walked away from the wreckage. All eleven people on board survived the crash. Besides Downey, there was CIA Agent Richard Fecteau, two Taiwanese pilots and the seven Taiwanese agents who were to be parachuted into the mountains.

The seven agents were executed by the Chinese. The two pilots may also have been shot, though there is a possibility they are still in a Chinese prison. Fecteau was sentenced to 20 years in prison, Downey to life. The different sentences were given because Downey was the mission chief, Fecteau a subordinate.

Downey has said he spent the first 10 months of imprisonment in leg irons. Harvard University Law Professor Jerome A. Cohen, a classmate of Downey's at Yale and today a specialist in Chinese law, said there was nothing unusual about Downey's treatment.

"All criminals were treated the same way in the People's Republic of China," Cohen said. "They socked it to you from the start, then became lenient as you reformed, as you told the truth and as you repented about the truth."

Downey said he told his captors everything he knew in those first 10

Yale to a Chinese Prison

months. He was quoted by newsmen interviewing him last week at a hospital in New Britain, Conn., where his mother is recuperating from a stroke: "I would say I revealed about every bit of information I had."

When he'd told the Chinese the details of his work, Downey was taken out of leg irons. But he was kept in solitary confinement for another 14 months, during which time he was not allowed to talk to anybody but his captors. Even that conversation was limited to chats with the jailer who supervised his 30 minutes of courtyard exercise every day.

Downey and Fecteau were moved out of solitary in a rural prison and into Peking's Grass Basket Prison in December 1954. There, they were put in with the crew of a B-29 that had been shot down over North Korea. They were also tried and convicted of espionage by a Chinese military tribunal, which announced the conviction to the world.

"We were elated at the conviction," remembers one of Downey's classmates who had gone into the CIA with him. "We'd never heard of his capture. We'd all given Jack up for dead."

The Korean War ended before the Chinese announced Downey's capture and conviction. When it ended, negotiations began between the United States and the People's Republic of China to arrange a prisoner exchange. A list of prisoners was swapped in Geneva in April 1954.

The United States listed 129 Chinese it had detained, mostly scientists and economists who'd been teaching or working in the United States. The People's Republic listed 40 Americans, including the fliers Downey sat in prison with in Peking. Downey and Fecteau were not on the list.

"They weren't on the list because John Foster Dulles would not admit they worked for the CIA," said Harvard Law Professor Jerome Chen, Downey's Yale classmate who was later to become a force behind his release. "We never admitted he was missing so they never admitted he was captured."

When the Chinese announced that they were holding Downey and Fecteau, Secretary of State Dulles refused to budge. The story that the State Department issued in 1954 was the story they stuck to until early this year. Downey and Fecteau worked for the U.S. Army. Their plane had gone off course between Korea and Japan and ended up over Manchuria.

The fliers who were in the Peking prison with Downey and Fecteau were released by the Chinese in August, 1955. Downey and Fecteau stayed behind, victims of the growing Cold War between China and the United States.

A witness to this is one of the fliers who met Downey and Fecteau in prison, a man named Steven Kiba, who teaches Spanish in a high school in Norton, Ohio.

"I asked a Chinese commisar if Downey and Fecteau would go home when we went home," Kiba said, "and he told me, 'The only way they will ever get out will be for your government to admit they are CIA agents.'"

Kiba said he told this to the CIA when he was released. He said he passed along a message from Fecteau that the Chinese were aware of his and Downey's attempt to set up a CIA spy ring under the code name "Operation Samurai."

"The CIA man told me to forget it, forget about the whole period with Downey and Fecteau," Kiba said. "They said as far as they were concerned it never happened. They said it looked pretty hopeless for them and seemed to indicate they would never get out."

Harvard Law Professor Cohen is one who insists the Chinese tried to maintain some kind of contact with the United States over the Downey and Fecteau cases from 1954 to 1957. He said China tried to regularize relations with the United States during this period, but that the United States rejected China's moves because the United States did not want to undermine its relations with Chiang Kai-shek.

China made a last attempt at recon-

ciliation in 1957, when Premier Chou En-lai offered to repatriate Downey and Fecteau if the United States would allow American newsmen to visit China. Dulles refused, declaring that if the United States were to let that happen it would be giving its approval to a regime that "practiced and trafficked in evil."

Downey and Fecteau were finally released when President Nixon chose to acknowledge their roles as CIA agents. He did it at a press conference just before presidential assistant Henry A. Kissinger left on one of his trips to China. He did it in answer to the last question asked at the press conference, in a way that convinced DJack Downey's friends that the question was planted and the answer rehearsed.

Jack Downey emerged from his 20 years in prison looking and acting like a man who'd never been in prison, almost a symbol of the detente that now exists between the United States and China. Downey had two recreations in prison, reading and exercising. Together, they saved his sanity.

He came out of prison speaking Chinese and able to read and write Russian, which he learned from Russian climates and from the Russian novels his Chinese captors let him have. His friends say he is in excellent physical shape at the age of 42. He can run 10 miles, do 100 pushups and as many as 50 chinups. His weight is 190 pounds, a little less than it was when he wrestled and played varsity football for Yale.

Jack Downey is the last of the Yale class of 1951 to come in from the Cold War between the U.S. and China, almost a symbol of the last 20 years. The others who went into the CIA when the Korean War looked like an American disaster all left years ago. One is a freelance photographer in New York, another in an Asian scholar at Yale, a third runs a hosiery mill and a fourth a lobster-tail business in the Solomon Islands.

"We all got bored and disillusioned," one of them said the other day. "The bureaucracy, the paper work and the politicking got too stifling. That, and the times changed. So did we change."

THE STAR and NEWS A-3

Washington, D. C.

Saturday, March 17, 1973

★
Lost on CIA Mission

Secretary of State William P. Rogers has been asked to help a 77-year-old Oregon woman find out exactly how her son died during a U.S. spy mission in China more than 20 years ago.

Sen. Mark O. Hatfield and Rep. John Dellenback, both R-Ore., sent Rogers a letter on behalf of Myrtle Snoddy of Creswell, Ore., yesterday.

Mrs. Snoddy's son, Robert C. Snoddy, and Norman Schwartz of Louisville, Ky., participated in the mission in which Central Intelligence Agency operative John Thomas Downey and Richard Fecteau were captured.

The Snoddy and Schwartz families were told in 1954, two years after the pair disappeared, that the two men were killed on the Downey-Fecteau flight.

Snoddy and Schwartz reportedly flew the plane, a cargo version of the DC3 twin-propeller aircraft, that was shot down during a flight over China's Kirin Province on Nov. 29, 1952.

Fecteau and Downey were imprisoned on espionage charges. Fecteau was released in December 1971. Downey was freed Monday.

"The only thing I know is what I read in the papers," said Mrs. John Boss of Creswell, Snoddy's sister. "After 21 years, I think they can come out and tell me where he was, what he was doing."

"I think it's high time to learn what happened. I don't think anyone could be hurt now. I think my mother deserves that."—AP

A-2

THE EVENING STAR and DAILY NEWS
Washington, D. C., Friday, March 16, 1973



Crammer's 9 to 4:30-

knows about the left. But employees, reading, the cutback as best they can, see it trimming about 10 percent in many units — with most of those affected in the over-45 bracket.

The cuts are to go into effect June 30. Indications are that some older workers are being pressured to sign up for retirement annuities, thereby forfeiting the small appeals rights available to them under the law.

By CIA rules, an employee declared surplus in his immediate office is entitled to two subsequent screenings — the first, to see if another job is

available for him in his own directorate, the second, for a job elsewhere in the agency.

OUT IN THE CCID. — That's where an unknown number of Central Intelligence Agency employees are going under a layoff which CIA reportedly refuses to call a lay-off.

In the compartmentalized CIA, the right hand never

New York Times Friday, March 16, 1973

28

C

FORD FOUNDATION AT ODDS WITH C.I.A.

Bundy Denies Fund Sought
Training of Policemen

By DAVID BURNHAM

The president of the Ford Foundation has denied an assertion by the Central Intelligence Agency that New City policemen were trained by the agency at the suggestion of the foundation.

The denial contradicted a "fact sheet" on the case prepared by the agency for Representative Chet Holifield, Democrat of California chairman of the House Government Operations Committee.

In the sheet, the C.I.A. said that "at the suggestion of the foundation representative, the NYC police sought assistance from the agency as to the best system for analyzing data."

The denial of the agency's assertion came in a letter from McGeorge Bundy, president of the Ford Foundation, to Representative Edward I. Koch, Democrat of Manhattan, who has charged that C.I.A. training of policemen from more than a dozen cities violated the law.

After Mr. Koch had complained to Mr. Holifield, James R. Schlesinger, the new Director of Central Intelligence, said in a letter made public on March 5 that because of the sensitive nature of such training, it would be "undertaken in the future only in the compelling circumstances and with my personal approval."

'No Evidence' Found

Mr. Bundy, responding to an inquiry from Mr. Koch, said that he had carefully examined the C.I.A. assertion and had conceded that "these inquiries disclose no evidence" that any suggestion for C.I.A. training of policemen was made "by any member of the Ford Foundation or the Police Foundation or any employee of the New York City project funded by the Police Foundation."

The Police Foundation is an offshoot of the Ford Foundation.

Police Commissioner Patrick V. Murphy, who could not be reached for direct comment, was quoted yesterday by Deputy Police Commissioner Richard Kellerman and an official of the Ford Foundation as saying he believed the idea of going to the C.I.A. originated with Don R. Harris, a private consultant.

Federal Grant Used

Mr. Harris, a former C.I.A. intelligence analyst, was one of three consultants hired by the Police Department last year under a \$166,000 grant from the Federal Law Enforcement Assistance Administration to help the department reorganize its intelligence files.

In November of 1971, the Law Enforcement Assistance Administration, a branch of the Justice Department, published a 150-page manual, co-authored by Mr. Harris, which was designed to instruct state and local police agencies how to "apply intelligence to combat organized crime." The other author was E. Drexel Godfrey Jr., also a former C.I.A. employee.

Informed of Mr. Murphy's belief that Mr. Harris had originated the idea of sending 14 New York policemen for training with the C.I.A., an agency spokesman in Washington said the available information indicated the plan first was suggested by Wayne Kerstetter, one of six lawyers brought into the department in October, 1971, under a grant from the Police Foundation, the branch of the Ford Foundation.

Neither Mr. Kerstetter, who recently left New York for a law enforcement position in Illinois, nor Mr. Harris could be reached for comment last night.

HS/HC- 950

Downey Gave Chinese Secret Information

NEW BRITAIN, Conn. (UPI) — Korean war spy John T. Downey told newsmen today he gave his Chinese captors secret information during the 20 years he spent in a Peking prison.

"I can say, yes, I revealed about every bit of information I had," Downey, 42, said at a news conference when asked whether he had given the Chinese secret information.

Downey was released by the Chinese yesterday on an appeal from President Nixon, who had advised Premier Chou En-lai that the prisoner's mother was critically ill. The CIA agent was flown first to Clark Air base in the Philippines and then to Connecticut for a reunion with his mother last night.

He said he felt the two decades he spent in Chinese prisons was to a large extent "wasted."

"I wouldn't recommend it for any character building or anything like that," Downey said, adding that he didn't think the episode "benefited anybody," including the United States.

Downey, a former defensive guard on the 1950 Yale football team, declined to discuss the mission that brought him to captivity in November 1952, when his plane was shot down over Manchuria.

He said he still considered himself an employee of the Cen-

tral Intelligence Agency but does not plan to remain with the secret agency.

Of the 20 years in prison, Downey said, "I can only say it all dropped off me like a coat. I don't mean to sound like I'm putting you on. It's over, done with, I just feel great."

Downey said he was "astonished" to learn of President Nixon's visit to China last year and felt that it "broke the ice and probably had a good effect on my situation."

Downey, in other comments, said his treatment at the hands of the Chinese had met "the minimum standards."

He said he had been kept in leg irons during the first 10 months of his imprisonment, but he said the action was "standard procedure" for someone like him awaiting trial in China.

At times he was kept together with Chinese prisoners. He also was taken on closely supervised trips to farms, factories and the Great Wall, but he did not learn to speak Chinese.

On a typical day, Downey said, he was up at 6 a.m. he was made to listen to political broadcasts and to take part in ideological "study periods."

He was allowed out of his cell for anywhere from half an hour to four hours of exercise in a 30-foot by 90-foot courtyard.

Out of the intensive political indoctrination, Downey said, he derived some insight into American life. "I would say, I

have a more sophisticated grasp of American society. It's still the greatest." He said his views have evolved, "but so has the world."

He changed his mind about the Chinese somewhat in the years he spent in prison, he said. He called them energetic and spirited.

"I think the people are more behind their government than I dreamed would be possible," Downey said.

Mrs. Mary V. Downey, 75, was elated by his return. She had not been told of her son's release until just before he walked into her room at New Britain hospital.

Downey himself was admitted to the hospital yesterday, and given a room near his mother to recuperate from the exhausting flight from Hong Kong.

A NEW SPIRIT GROWS IN CHINA

A new spirit, achieved at the cost of some of the color and vibrancy of legendary China, is now spreading among Red China's people, New York Times associate editor Harrison E. Salisbury found in his recent travels there.

The final article in his four-part series discusses the life-styles of today's mainland China. Page A-25.

THE EVENING STAR and DAILY NEWS
Washington, D. C., Tuesday, March 13, 1973

A-3

Mother Is Elated As Downey Visits Hospital Bedside

NEW BRITAIN, Conn. (AP)—"You'll probably be a celebrity now—don't let it go to your head," the ailing mother of CIA agent John T. Downey told her son last night at a hospital room reunion.

Released Sunday after 20 years in a Chinese prison, Downey was flown halfway around the world in less than 24 hours and rushed to the bedside of Mrs. Mary V. Downey. The Chinese released him early because of Mrs. Downey's illness.

Mrs. Downey, was elated by his return, United Press International reported. She had not been told of her son's release until just before he walked into her room at New Britain hospital.

Downey himself was admitted to the hospital yesterday, and given a room near his mother to recuperate from the exhausting flight from Hong Kong.

Mrs. Downey, a 75-year-old schoolteacher, suffered a stroke Wednesday and remained unconscious until Sunday.

Downey smiled as he was greeted by hundreds of friends and well-wishers, including Gov. Thomas J. Meskill, a personal friend, at Hartford's Bradley International Airport.

Downey's younger brother, William, who accompanied

Downey from the Philippines, said his mother's pulse rate showed "a little bleep" when she was told John had been freed and was in the hospital.

"He took mother's hand and kissed her and spoke to her," William Downey, a New York City attorney, told newsmen.

"She seemed to come more wide awake when he talked to her."

Mrs. Downey visited her son five times since 1958 in Peking's Grass Basket prison. Downey and Richard Fecteau of Lynn, Mass., were captured in November 1952 after their plane was shot down over Manchuria. Fecteau was released in 1971, at about the same time Downey's life term was commuted to five more years. Downey, the last known captive of the Korean war era, was reportedly captured when his plane was shot down over China. The Chinese said he was dropping and picking up spies.

Downey's brother said he found him "as close to being unchanged as anyone could be after 20 years anywhere."

"He indicated his great relief in being a free man. I wouldn't rate him at all as bitter" because of his imprisonment. He said his brother told him he had not been abused in prison—"interrogated, yes—tortured, no."

Approved For Release 2001/06/09 : CIA-RDP84-00499R001000110004-0
FREE AFTER 20 YEARS

Downey Flying Home

By HENRY S. BRADSHER
Star-News Staff Writer

HONG KONG — More than 20 years after being shot down while re-supplying Central Intelligence Agency spies in China, John Thomas Downey emerged from China today by act of clemency from Premier Chou En-Lai.

Downey, who is 42, has spent half his life in Chinese prisons. He was smiling and apparently in good health when he

crossed the border into Hong Kong.

"I am so glad. It's like a dream," Downey told an American Red Cross representative who met him, Eugene D. Guy.

American officials had a helicopter waiting to whisk Downey to Hong Kong's airport. Within 35 minutes of the time he walked across Louwu bridge from China in a blue Chinese shirt and trousers, a special U.S. Air Force medical evacu-

ation plane was airborne, taking Downey to Clark Air Force Base in the Philippines.

Operation Homecoming officials at Clark who are handling prisoners released from Vietnam sped Downey on to see his critically ill mother in New Britain, Conn.

Almost immediately after arriving at Clark, Downey boarded an Air Force C141 Starlifter transport which was to fly him via Anchorage,

Alaska, to Windsor Locks, Conn.

Downey was met at Clark by his brother William, who said doctors who flew with John from Hong Kong reported he was in good shape.

"He certainly feels and looks good," William Downey said.

Downey spoke briefly to newsmen when he arrived at Clark, United Press International said.

"I just wanted to say how grateful I was for being released. I appreciate the Chinese government for letting me go at this time and President Nixon for his efforts on my behalf and (presidential adviser) Dr. Henry A. Kissinger," he said.

"I'm very pleased to be out," he said. "At the same time, I'm very anxious to get home to see my mother."

"He had a firm handshake and he was up to date, very well informed," one of the officers on the flight from Hong Kong said. "We were very surprised. He's got no problems at all."

President Nixon asked Chou to release Downey after his mother suffered a stroke Wednesday. Within 48 hours the Chinese informed Washington they would.

Downey's mother, who suffered a stroke last Wednesday, was reported "vastly improved" to day. She will be

See DOWNEY, Page A-6

THE EVENING STAR and DAILY NEWS
Washington, D. C., Monday, March 12, 1973

Approved For Release 2001/06/09 : CIA-RDP84-00499R001000110004-0

Prisoner Freed by Chinese

Continued From Page A-1
told of her son's release before his arrival tonight.

Peking also said it would release Thursday the last two Americans known to be imprisoned in China. They are military pilots shot down during the Vietnam war when they strayed over China.

Downey told Red Cross officials he lived for a while with the two fliers, U.S. Navy Lt. Cmdr. Robert J. Flynn, 35, of Houston, Minn., and U.S. Air Force Maj. Philip Smith, 38, of Roodhouse, Ill.

"According to him (Downey), they were in excellent spirits and health," said James E. Bolling, a Red Cross regional director who flew from Hong Kong to the Philippines with Downey.

The two pilots had always been expected to be released when North Vietnam returned prisoners it held there. But the release of Downey was a special concession in a new atmosphere of Sino-American friendship.

It was regarded by China-watchers here as more than simply a goodwill gesture, however. It marked the close of what China had considered a long period of U.S. provocation and hostility—a mirror image of the American attitude during the 1950s and 1960s that China was hostile and provocative.

During those years, while Downey sat in prison the U.S. government denied the finding of his trial in China that he was a Central Intelligence Agency agent. Downey and Richard George Fecteau were convicted together as CIA agents.

Fecteau was given a 20-year sentence and released in December 1971 after serving 19 years. Downey's sentence was at that time reduced from life to five more years.

Those actions were taken as a sign of developing friendship. But Peking was not ready then to simply release Downey.

American officials quietly stopped insisting that Downey and Fecteau were civilians working for the U.S. Army, whose plane got lost on a flight from Japan to Korea during the Korean war. But they remained unwilling to admit the CIA connection.

Then recently, Nixon, by what seemed almost to have been a slip of the tongue, referred to Downey as a CIA agent. Whether this was finally a public admission which China had sought remains unclear.

Downey emerged into a totally different world political situation.

China and the United States are now coming closer together, although somewhat warily, while China is in hostile confrontation with the Soviet Union. When Downey was shot down Americans saw China and the Soviet Union as partners in the Korean War against the United States.

Downey graduated from Yale University in 1951. The CIA was recruiting healthy young men with a taste for adventure at the time.

According to the finding at a Chinese trial of Downey, Fecteau and a number of Chinese Nationalists, Downey selected and trained Nationalists into teams for espionage.

A four-man team was parachuted into Kirin Province in Northeast China adjoining Korea in July 1952. A larger team was parachuted into adjacent Liaoning Province in September.

Fecteau joined the CIA in 1952, according to the trial report. On the night of Nov. 29,

1952, he accompanied Downey on a DC3 twin-engine transport plane to resupply the Kirin agents and pickup one agent. The plane was shot down.

It was only two years later in announcing the trial—at which several of the Chinese agents were sentenced to death and others to long prison terms—that the Chinese revealed that Downey and Fecteau were still alive. Surprised, Washington put out a story of their being civilians on a lost army plane.

When U.N. Secretary General Dag Hammarskjold visited China in 1955, he obtained the release of 11 Americans from another plane which the Chinese said had been shot down while dropping agents. It was a U.S. Air Force plane

which Hammarskjold said was part of the U.N. command in Korea, but, the Chinese said, Hammarskjold told them the United States had not claimed that Downey and Fecteau were part of the U.N. command, so he did not seek their release.

The American Red Cross was allowed to send parcels to the two prisoners. Downey's mother visited him three times in Peking during the years when almost no other Americans were allowed to go to China.

Guy said today that Downey told him artificial sweeteners in parcels helped him avoid getting fat on Chinese food.

Guy gave a receipt for Downey to Chinese officials who escorted him to the border. It said that "the American peo-

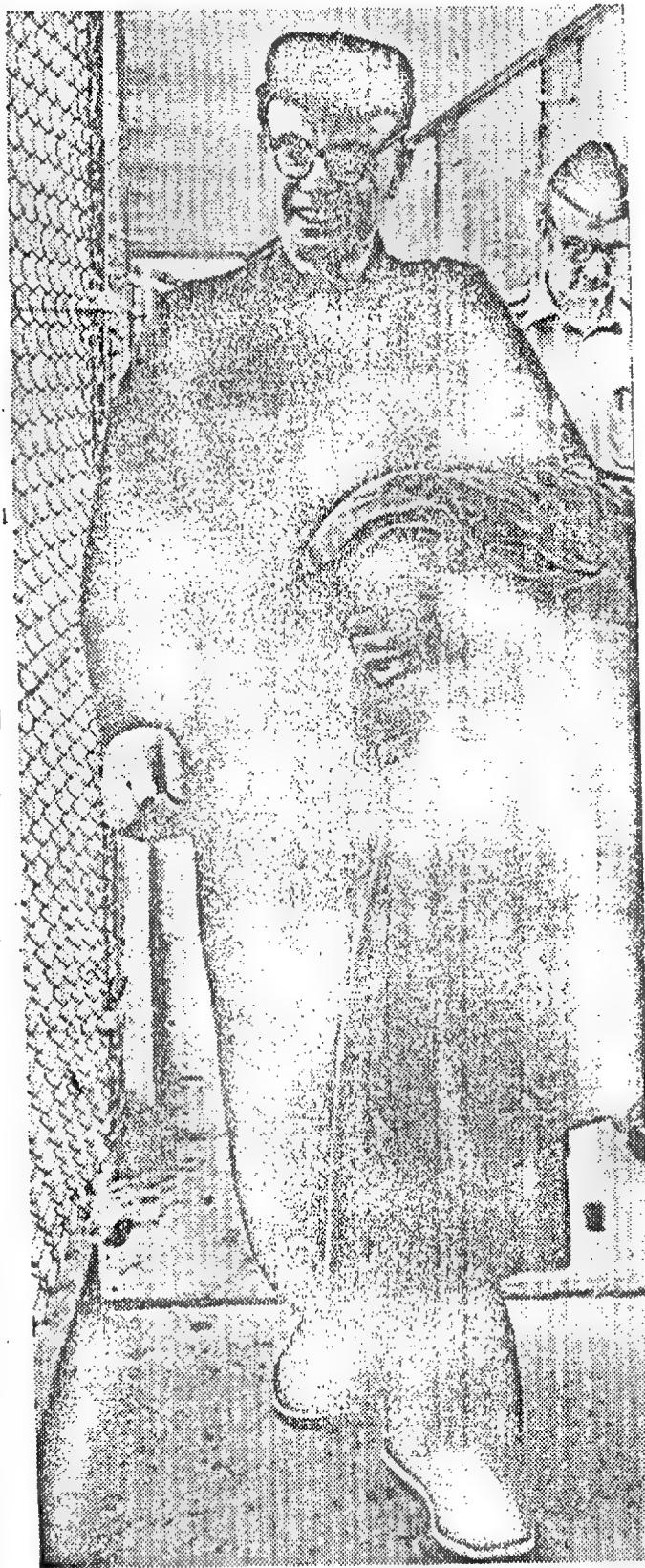
ple are most appreciative for this humanitarian action on the part of the Peoples Republic of China."

At the request of the U.S. Consulate, reporters were kept away from Downey by British police. The consulate's press release on his passage through this British colony mentioned only Red Cross officials but American diplomats hovered in the background of the operation.

One diplomat, a specialist on Chinese internal politics who is almost exactly Downey's age, Sherrod McCall, met Downey at the border and flew with him to the Philippines as escort officer.

So far as could be learned, no one from the CIA section of the U.S. Consulate was present.

THE EVENING STAR and DAILY NEWS
Washington, D. C., Monday, March 12, 1973



—United Press International

Downey arrives in Hong Kong wearing a broad smile and Red Chinese clothing.



—Associated Press

By the time he reached Clark Air Base, Downey had changed to American garb.

THE EVENING STAR and DAILY NEWS
Washington, D. C., Monday, March 12, 1973

Approved For Release 2001/06/09 : CIA-RDP84-00499R001000110004-0

Four years ago, blazing headlines announced China's top-ranking diplomat had defected to the West and requested political asylum in the United States.

Liao Ho-shu, 46, chargé d'affaires at the Chinese mission in The Hague, was reported at the time to head the Chinese spy network in Europe. His defection was considered the West's most important intelligence coup in years.

Moscow radio immediately dubbed him "Peking's James Bond." Taiwan cabled Washington it would give him a hero's welcome. Peking demanded his return, charging the U.S. had kidnapped him.

When we refused, the Chinese canceled the upcoming session of Sino-American ambassadorial talks in Warsaw, our only official channel of communication at that time. Secretary of State William P. Rogers expressed formal diplomatic "regret," and that was the end of contacts until January, 1970. The resumption eventually led first to Henry Kissinger's and eventually to President Nixon's visit a year ago to the People's Republic of China.

Two months before that historic trip, the White House received a letter from Liao Ho-shu. He wrote he could not get used to the American way of life, had "made a mistake" in defecting and asked permission to return to mainland China. The letter was turned over to the State Department for routine processing.

In May Liao was on his way home via the Chinese Embassy in Ottawa, Paris and Shanghai. This time there were no headlines. His departure remained unknown to the public at large until January of this year when a succinct wire dispatch from Hong Kong quoted a local magazine as saying he had returned to the PRC. He disappeared behind the Bamboo Curtain like a pebble in a pond.

What happened to make the defector redefect? Did Liao—an embarrassing reminder of the cold war—become a sacrificial lamb on the Nixon-Mao altar of peace and friendship? Was this man, the product of a totalitarian society, unable to cope with the unregimented life in a democracy?

Was he the pawn in the ideological match between resident Chinese here dedicated to Taiwan and those favoring the motherland? Or was he merely the casualty of extended exile—deprived of family and meaningful opportunity for career advancement, physically ill and mentally unbalanced?

Is it possible he was a double agent—or was he, in fact, no spy at all?

The following is an attempt to reconstruct the life of one Chinese defector in the United States, from the time he disappeared from the headlines until he reappeared for one last brief instant.

Since Liao left no known diary, his story derives from the comments of those few Americans and Chinese whose paths he crossed. Many of the former were reluctant to talk, either because of their involvement with the CIA or with mental hospitals and patients. Some of the latter gave conflicting accounts, depending—one suspects—on their own political loyalties. The CIA at first refused comment, but later confirmed the essential elements of this portrait.

The story of intrigue and incipient insanity that is Liao Ho-shu's began in what is now Wuhan, a city in the central province of Hupei, where he was born in 1923. Little is known here of his formative years except that he studied economics at the University of Peking, was assigned to the

See LIAO, K2, Col. 5

It Return and Defecting Chinese Spy Arrives in U.S.

By Bernard D. Nossiter
Washington Post Staff Writer

A diplomat described as one of mainland China's ranking spies in Europe was brought to the United States yesterday from the Hague. The arrival of Liao Ho Shu, Peking's chargé d'affaires in

Demand for Envoy's Return Adds Strains

By Stanley Karnow
Washington Post Staff Writer

HONG KONG, Feb. 7—Washington has avoided giving in

Believed Top Spy

For some months Western, based on The Hague, which is intelligence has been watchful of from Switzerland, reported to have taken over their Chinese espionage operations in Europe, by center.

By William Perkins—The Washington Post

Approved For Release 2001/06/09 : CIA-RDP84-00499R001000110004-0

A Man Left Out in the Cold:

LIAO, From K1

Foreign Ministry in 1951 and joined the Communist Party two years later.

He married a pediatrician and had two children. He went to The Hague in 1964. Consistent with P.R.C. practice at that time, his wife and children, then aged 4 and 9, were not allowed to accompany him. Liao remained there without returning home throughout the Cultural Revolution, whereas nearly all Chinese ambassadors were summoned home for reeducation.

In 1968 a sensational incident occurred at a Chinese legation building in The Hague. A visiting rocket technician, Hsu Tzu-tsai, was snatched from a hospital X-ray table, where he had been taken after either falling from a window trying to defect or after foul play. Liao later told the CIA he was one of the kidnappers. A day later the engineer died at the mission.

Peking's news agency said at the time Hsu had passed information to the Central Intelligence Agency in exchange for a promise of asylum. The Netherlands demanded the recall of the chargé d'affaires, Li En-chiu and another diplomat. Liao, who then became chargé and the highest ranking Chinese diplomat left in Europe, later learned his ex-colleagues were harshly and even physically attacked by the Red Guards when they returned to China.

Red Guard diplomats soon were sent to The Hague mission. The younger officials tried to take over his job, Liao told the CIA, accusing him of being a capitalist. "They told me it was bourgeois to raise flowers, that I should raise vegetables instead," Liao later recalled.

One day in late 1968 a Chinese ship arrived in Rotterdam. When his revolutionary colleagues suggested Liao send his baggage to the ship, he sensed he was about to be Shanghaied, the intelligence sources say. Fearing the same fate as his predecessors once back in Peking, he turned himself in to Dutch police headquarters on Jan. 24, 1969, at 4:30 a.m., wearing only pajamas and a raincoat.

Eluding the Chinese diplomats who were trying to find Liao, Dutch security officials turned him over to American authorities who promptly flew him to this country. The first official word that he had arrived here came on Feb. 4 when State Department spokesman Robert McCloskey announced that Liao's request for political asylum in the United States was "under consideration."

A few days later Peking's Foreign Ministry charged the U.S. and the Dutch governments with "deliberately engineering" Liao's escape and demanded the "traitor's" return. (This marked the first time since the Korean war that the Chinese had issued a public protest against the defection of one of their officials. The

outray fueled the fires of suspicion here that Liao was indeed the chief of Chinese intelligence operations in Europe.

If Liao were not sent back, Peking warned of "grave consequences." These proved to be cancellation of the Sino-American talks, which were scheduled to resume Feb. 20 after being suspended for 13 months.

Peking accused Washington of "plotting" to send Liao to Taiwan "with a view to creating further anti-China incidents."

Of course, all was forgiven nearly a year later when the machinery was put in motion to end a quarter century of isolation between the two super powers. Clearly the Liao affair was a dead issue; the man Liao was not, however.

Though dubbed "Peking's James Bond" Liao certainly bore no physical or social resemblance to Ian Fleming's hero. Tall for a Chinese, he was thin, balding, and wore horn-rimmed glasses.

"He was the least outgoing person I've ever known," recalled Dr. Michael J. McCaskey, head of the Chinese-Japanese language department at George town University. The two first met in August 1969 when a government official brought Liao around to work as a "casual laborer" (\$1.80 an hour) on a National Defense Language Institute project to revise basic Chinese language courses for the military.

Liao's existence for those months before he "surfaced" at the university in August, can be reconstructed only piecemeal. He almost never talked about his first months in this country and for a while even declined to let his colleagues know where he was living. (The university listed the department of Chinese as his mailing address). He went to elaborate pains to get off the Wisconsin Avenue bus a few blocks away from his apartment.

Though he habitually refused offers of a lift home, a driving rain once persuaded him to accept. Even then he insisted on getting out of the car before reaching his building and walked the rest of the way.

Come September he did list his address on university records as 2702 Wisconsin Ave., although he did not include the apartment number. The janitor at the Sherry Hall apartments, Willy Barnes, at first denied ever seeing the tall, lanky Chinese. Later, when told Liao's apartment number, 605, Barnes recalled the Chinese did indeed live in the one-bedroom unit—"although he would be gone sometimes for as long as a month at a time." Three or four other men with their own keys used the apartment as well by day, he said, though he knew only one of them.

Apartment 605 was rented from April 1968 to January 1970 in the name of John F. Gionfriddo, the name Barnes recalled in connection with 605 Gionfriddo, a lawyer with an office on

K Street and a home in Vienna, Va., signed the lease.

When asked in an interview about Liao and the apartment, he replied he had no knowledge of either. Still, he admitted it was possible his firm had rented the apartment, following its custom, for out of town guests "at times like the Cherry Blossom Festival."

A couple of days later, after checking his file, Gionfriddo found a slip of paper with the name of George Neagoy. Though he had no record of payment he thought he had sublet the apartment to Neagoy, whom he described as a one-time client for whom he thought he had drawn up a will. Neagoy told him he needed the apartment for out-of-town relatives.

Neagoy, who lives in Chevy Chase, is an employee of the CIA.

The two apartments adjoining 605 were at that time rented to a Soviet diplomat and a Defense Department intelligence officer, causing a rental agent for the Sherry Hall Apartments to joke, "One-half of the building was foreigners and the other half, the CIA watching them."

Interrogation led the CIA, at least, to conclude that Liao was no master spy, simply a middle echelon diplomat. It is unresolved whether even so he was able to supply U.S. authorities with any worthwhile information.

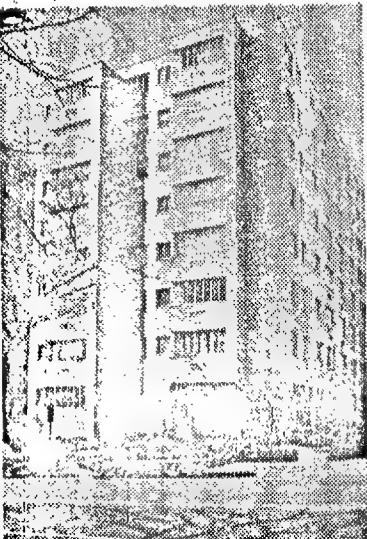
Why then had some people thought he was a spy in the first place? For one thing, the climate of mutual suspicion and hostility coupled with a dearth of knowledge of events inside China sufficed to make the intelligence community jump at anything when defectors were as scarce as dragons' teeth. For another, a Chinese diplomat of lesser rank than Liao, who defected from the embassy in Damascus in 1966, had told Washington that Peking was anxious to avoid becoming directly entangled in the Vietnam war.

Of all those questioned about Liao, not one in retrospect thought he could have been a master spy. "His general indecisiveness made him unsuited for positions of high command and his liberal-minded openness made him unsuited for political intrigue," commented one of his closest American acquaintances. Still, the idea that the CIA even suspected he was a high-ranking agent, said a Chinese friend, was one reason Liao disliked America.

Having finished its questioning, the U.S. government began the process of disengagement. The defector was given a monthly allowance, believed to be \$300, a permanent resident's visa, a Social Security card and a job.

Liao's job at Georgetown was to copy in long hand elementary Chinese lessons, a monotonous, mechanical assignment he performed with much grumbling. He made it obvious he considered this work beneath him yet

See LIAO, K3, Col. 1



2702 Wisconsin Ave. NW

LIAO, From K2

declined to accept any more interesting task.

"He wanted everything all at once," recalled Dr. McCaskey, "but didn't know how to do anything. His knowledge of economics was outdated. He wanted to make a career for himself—anything but diplomacy because he was tired of governments. He kept mentioning he had gone to talk to 'the representative of the U.S. government' (Neagoy) about a permanent job. But nothing ever came of it."

Had the CIA indeed led him to believe it would furnish him a good position as a reward for defection and information and then defaulted when he proved uninteresting?

The CIA denied any "deal" with Liao, but told him it was legally responsible for his welfare while he was an alien in the U.S.A.

"I believe he saw himself in the role of Confucian sage, rejected by an emperor who has lost the Mandate of Heaven," wrote Dr. D. Graham Stuart, a Georgetown University professor of linguistics now on sabbatical in Holland.

At Dr. Stuart's urging Liao enrolled in September 1969 in the university's School of Languages and Linguistics as a candidate for an M.A. in Chinese. However, due to his poor command of English, Liao was unable to complete the required courses in phonetics and phonemics given in that language. He tried the course at least twice more, withdrawing each time after a few weeks. He abandoned his effort finally in February 1970.

Meanwhile he had enrolled the previous month in a 10-week course in the school's English as a Foreign Language division, intermediate level. He received a B plus in the course, the only one he ever finished. In April he returned to his dull copying job, remaining through September. He refused to call himself unworthy of it, yet re-

tained a certain arrogance about his expectations.

His primary concern throughout that period continued to be finding a good job. This led him several times to the brink of accepting employment offered by the Nationalist Chinese. Besides work, he was also seeking a new wife and asked Chinese acquaintances if anyone in Taiwan would marry him if he went there. "He was very lonely," said McCaskey, "although he never wanted to meet any women here."

From the moment he set foot in this country, the Taiwan government had tried to recruit him. In the Chinese lexicon, a defector from Communism is presumed friendly to the Chiang Kai-shek regime. Ku Cheng-kang—the man in Taipei in charge of defectors, or as he is officially titled, president of the Free China Relief Association—sent a cable to the Chinese Embassy in Washington inviting Liao to visit Taiwan. Pressure was put on then-Ambassador Chow Shu-kai, now Taipei's Minister without Portfolio, to influence Liao, who was open to the idea.

Six months or so later, after the CIA interrogation was over, Liao and Chow finally met. The meeting was arranged through Chiang Te-cheng, a junior high school classmate of Liao's and now assistant manager of the (Nationalist) Chinese Information Service in New York. Another college friend of Liao's, a former Washington correspondent for a Taiwan paper, Wang Yu-hsu, now studying at Georgetown, also tried to help Liao decide whether to go to Taiwan.

According to them, Liao attended a National Day reception and several banquets at the embassy—where Wang's wife works—and had "intimate and friendly conversations" with Ambassador Chow. Liao was offered a \$500 a month "sweatshop" job with the Chinese Merchants Association, a shipping company in New York's Chinatown that is owned by the Republic of China.

One of the conditions was that he would first have to visit Taiwan. Wang prepared to accompany Liao to Taipei, but at the last minute Liao balked. This was to happen several times until the embarrassed Nationalists gave up on luring Liao, intelligence sources said.

The reasons for his refusal were never clear. Once, for example, he declined at the last moment to sign the regulation Internal Revenue Service form stating he, an alien, had paid his taxes in full. Because the statement is commonly known as a "sailing form" Liao refused to sign, lest he be "shipped" out instead of being sent by plane. A week of explanation failed to convince him.

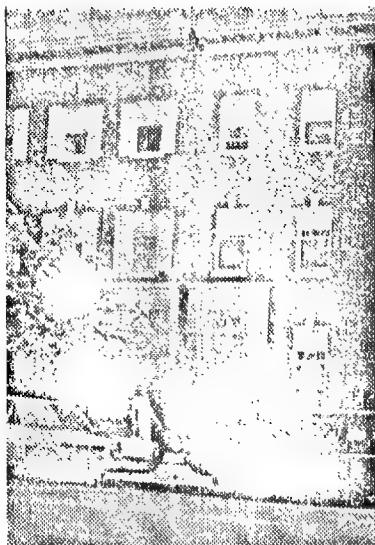
Then, too, Liao must have known that if he went to Taiwan, it would rule out any remaining chance of returning to the mainland, home and family, given the enmity between the

journalist in the Washington area, who wrote under a pseudonym the article on Liao for the Hong Kong magazine North-South Pole, Ambassador Chow gave Liao three guarantees in exchange for agreeing to visit Taiwan: (1) he could return to the United States of his own free will; (2) the Republic of China would support him financially; and (3) they would not use him as a propaganda tool.

Liu points out that Liao must have been aware that two previous defectors, famed violinist Ma Sitson and diplomat Chen Pal, had also agreed to such a deal. But when their plane arrived in Tokyo airport, Taipei put out a statement on their behalf without consulting them.

And others say Liao, as usual, was just unable to make a decision.

Whether due to his experiences at the hands of the CIA and Nationalist



The half-way house

Chinese, or to his loneliness and inability to cope with a strange environment, or to his ingrained habits as a long-time Communist, Liao became extremely suspicious and distrustful of everyone. He thought everyone worked for the Chinese government—American, mainland or Taiwan—and seemed a little disappointed to find out his Georgetown colleagues were just ordinary people, McCaskey said.

Once Liao received a piece of radical student literature urging participation in a political demonstration. "I had the hardest time trying to convince him the flyers were sent to all (Georgetown) grad students; that they didn't mean to single him out in particular," McCaskey reminisced.

Liao imagined colleagues joking about him. He was disturbed by police sirens during his nights of insomnia. A televised broadcast of July 4 fireworks sent him panje stricken into the street, sure someone was shooting at him. He hailed a taxi and drove around for hours going to Dulles Airport with some vague idea of fleeing, be-

and Fall of Liao Ho-shu

Approved For Release 2004/06/09 : CIA-RDP84A0499R001000110304-0

fore he calmed down and returned home at 3 a.m.

Passionately secretive, he refused all publicity. He continually looked over his shoulder as he walked in the park, convinced someone was following him. Indeed, he was under surveillance, perhaps out of humanitarian more than political reasons. The CIA kept an eye on Liao even after he moved from Wisconsin Avenue to his own tiny efficiency apartment at 1717 R St. NW in early 1970.

Though he had made a few friends in the American and Chinese communities early in the game, he began to turn them away. "Don't bother me," he shouted at colleagues who offered to visit. He had only one regular Chinese male visitor, Wang, and, of course, Neagoy.

In the past he occasionally went to restaurants. Now he would accept invitations to have a northern Chinese dinner—he disliked American food except for milk—at friends' homes, and then not show up. He preferred to eat out of moldy cans, alone.

In the fall of 1970 Liao began to neglect his appearance badly. He fancied his food was poisoned. He became emaciated, stooped; his teeth abscessed, and he refused to have a sty treated. "It was almost like someone going through a religious crisis, doing penance by fasting and abstinence. By the strictest ethical conduct, he distanced himself from common men who are less righteous, less literally truthful," a Georgetown mentor concluded.

Alarmed he would let himself die of starvation or would commit suicide, Liao's CIA contact took him to a psychiatrist. He was sent to the psychiatric ward of the Washington Hospital Center Nov. 18, 1970, and three weeks later transferred to D.C. General's ward.

The psychiatrist, who asked his name not be used because of his connection with the CIA, diagnosed "as severe a case of depression as you would want to see. I've seen a lot of schizoids like that; they can't talk to people and feel alone in a hostile world."

One sign of his illness, the doctor said, was his refusal to doff his overcoat while indoors.

The doctor was unable to find out anything about Liao's past, but said it was conceivable he had had such a breakdown before.

In accordance with medico-legal procedure, a hearing to commit him was held Jan. 25, 1971. Many Chinese-American friends testified on Liao's behalf. The proceedings were dropped when the patient was discharged Feb. 11 by doctors who found him "improved." Strangely enough, McCaskey remembered, that democratic process persuaded Liao for the first time that not everyone was involved in a conspiracy against him. He even asked upon leaving D.C. General if he would be allowed to return if he wished.

Liao went to live in a boarding house on Connecticut Avenue for discharged psychiatric patients. Though he lived

there until October of that year he remained generally uncommunicative with the other residents. He did not like eating with them. And although the kitchen is open 24 hours a day, he did not feed himself either, because he disdained a house rule requiring a person to clean up after himself.

During that period he worked on special projects for Georgetown's Dr. Stuart. His task consisted largely of running down references in scientific journals on linguistics problems, although he also did some independent research.

"While working for me he gathered more than 800 separate reference items in six different languages from a score or so different libraries," wrote Dr. Stuart. "I paid him the going rate for student help . . . Although he rapidly made himself indispensable to me in my work, he was constantly suspicious that I was really only making work for him. He resigned saying that he could not take money for doing tasks that any 14-year-old boy could do."

The halfway house frowns on residents without jobs, and besides, Liao was not happy there. Determined not to accept what he considered charity, Liao moved in October, 1971 to an \$18-a-week boarding house at 927 Massachusetts Ave. NW, the edge of Washington's Chinatown. The grim old brownstone, curtains hung between its once magnificent dark woodwork doors to give a modicum of privacy, reeks of stale food and downtrodden humanity. Liao was so furtive, it was two months before the CIA caught up with him there.

The managers, several generations of the Lee Yow family, chatted excitedly when told about the exotic past of their boarder. He never talked to anyone, except to say hello to the children, they said. His only visitor was the director of the halfway house who came twice.

He had no job, yet seemed to be doing "some texts for an embassy" on his battered typewriter. He went out every afternoon for a walk. One day in May he left without saying goodbye . . . or taking his meager belongings.

This marked the resolution of the Liao story, the final phase of which began in December 1971. He was at the bottom of a downward spiral, forsaken he thought by the U.S. government and the Nationalist Chinese, alienated from his few friends, unable to get a decent job, separated without news of his family in Peking, of no use to anyone. His thoughts turned to home.

That dark winter he composed a letter to President Nixon. In it he expressed his gratitude, but said he just could not get used to the American way of life or learn enough English. He wrote, "I love my country," and asked for permission to return to the

he knew that if he went back he would go on trial for treason. He also expressed fear of dying far from his motherland.

The letter was turned over to the State Department which told Liao he was free to return to China. "No one tried to dissuade him," a spokesman recalled. Still Liao hesitated. "He seemed to be asking us to deport him. He wanted us to contact the (Communist) Chinese for him. We told him to contact the embassy in Ottawa."

In February 1972 Liao wrote to U.N. Ambassador Huang Hua in New York, signifying his desire to return. Peking took its time deciding what to do with the defector who wanted to come home. Finally, permission granted, Liao flew to Ottawa in May, then on to Shanghai. Stopping in Paris en route, Liao penned post cards to the boarding house family and a few other friends, telling them he was on his way to China.

That was the first his acquaintances here knew of his decision to return—and the last they ever heard of him. "It was always in the back of my mind he was playing a double game," McCaskey mused. "But if he did, it was the most fantastic game I've ever seen." There were no headlines in either the Chinese or American press. "We weren't going to publicize it," said the State Department official. "It could have been misconstrued as a deal whereby we forced him to go back."

In the end Liao Ho-shu was a victim of cultural shock in America as well as the Cultural Revolution in China.

His isolation left him mentally broken. His only sense of importance derived from the attention paid him by "the representative of the U.S. Government." The irony of this is that—whatever the CIA first thought—Liao was not the superspy of the headlines—but in all likelihood a small fish left stranded on the shoals of international politics.



Bundy Tells Ellsberg Trial Data Did Not Damage U.S.

By MARTIN ARNOLD

Special to The New York Times

LOS ANGELES, March 9—McGeorge Bundy, one of the architects of America's Vietnam war policy, testified today that disclosure of three of the documents in the Pentagon papers case had not damaged the national defense.

Testifying with apparent assurance, Mr. Bundy referred to the documents as "the first cut of history" and said that they could best be understood that way, "not as an intelligence account."

Mr. Bundy served as special assistant for national security affairs to Presidents Kennedy and Johnson and as such was called by the defense as an expert witness on three of the 19 "top secret-sensitive" documents now involved in this trial.

He spoke first of eight pages of a 1968 Joint Chiefs of Staff memorandum, disclosure of which the Government has contended damaged the United States and could have been helpful to Hanoi during the Vietnam war.

Questioned by Defense

Under examination by Charles R. Nesson, a defense attorney, he was asked if either of those suppositions was true, and to both he answered, "I do not think so."

Mr. Bundy, who is now president of the Ford Foundation, gave three reasons for this.

One was that the most important part of the document, a recommendation by the chairman of the Joint Chiefs of Staff to send 206,000 more troops to Vietnam, had become "common knowledge worldwide two weeks after it was written, initially in The New York Times." That disclosure in an article in The Times meant that the information "had ceased to be classified

BUNDY SAYS DATA DID NOT HURT U.S.

Continued From Page 1, Col. 6

two weeks after it was written," he said.

The rest of the document, he said, was merely "an argument to persuade the reader that General [William C.] Westmoreland needed 206,000 more troops, an argument of a case that had less importance than a regular intelligence report."

This information, he said, had a "very short life as a secret; in the nature of things, it was either overtaken by events or became public."

Gen. Earle C. Wheeler was chairman of the Joint Chiefs of Staff at the time, and General Westmoreland was commander of the American troops in Vietnam.

Mr. Bundy also said that as far as the 1968 Joint Chiefs of Staff memorandum was concerned, "those whose business it was to judge whether information was classified, long before October, 1969, had formally declassified the information" by allowing a more comprehensive version of the information to be distributed in a Government Printing Office publication written by General Westmoreland.

As for the two volumes of the Pentagon papers, entitled "Evolution of the War," which he was called upon to testify about, he said that although they "touched upon military questions, they primarily concerned military events," and that the information in them "would be known to the North Vietnamese at a very great speed."

Furthermore, he said, the two documents "lost importance simply because there was a change in Presidential Administration" in 1969, which meant there would be new policies and new senior personnel in Washington.

THE NEW YORK TIMES, SATURDAY, MARCH 10, 1973

missile crisis; there was the Vienna summit conference, and there was Laos; there was the Glassboro summit conference following the Israeli-Arab six-day war, and there was not only the war in Vietnam but also the "distraction" in the Dominican Republic in 1965.

He did not, however, mention the Gulf of Tonkin incident nor that he had helped to write the Gulf of Tonkin resolution.

Close to President

Mr. Bundy gave his testimony under direct examination by Charles R. Nesson, a defense lawyer, in a calm and assured manner. He will be 53 years old at the end of this month. He is a slightly bald, plump man who wears steel-rimmed eyeglasses and who testified today in a two-button blue suit that bulged somewhat at the middle.

At first, he spoke with his hands clasped before him, but later he leaned back in the witness chair and faced the jury, somewhat like a lecturer in a classroom.

There had been some dissension among defense aides over calling Mr. Bundy because some of them did not want to associate their cause with a man they considered one of the prime movers of America's war policy in Vietnam. And Mr. Bundy was at first somewhat reluctant to testify for the defense.

After taking the stand, Mr. Bundy detailed his expertise as a national security and foreign policy expert. He told the jury how he had served Presidents Kennedy and Johnson from 1961 through 1966, and he listed the national crises he had worked on as a top Presidential aide.

For example, he told the jury, he had been involved in the Bay of Pigs invasion and the Cuban

Defense Secretary. He laughed depreciatingly when Mr. Nesson asked him if he had attended what has become known in the Government as "the meeting of the wise men" in March, 1968, after he had left the Government service. The meeting was called to discuss whether American troops in Vietnam should be increased.

"In modesty, I can't think of it that way, but I've seen it [the meeting] called that," he answered with a smile.

Before Mr. Bundy started to testify, Samuel A. Adams, a Central Intelligence Agency Analyst, the third defense witness, ended his testimony.

Dr. Ellsberg and Mr. Russo are charged with six counts of espionage, six of theft and one of conspiracy.

Continued on Page 13, Column 3

HS/HC- 950

Approved For Release

CIA-RDP84-00499R001000110004-0

THE NEW YORK TIMES, SATURDAY, MARCH 10, 1973

Peking's C.I.A. Prisoner

John Thomas Downey

By LAWRENCE FELLOWS

Special to The New York Times

NEW BRITAIN, Conn., March 9—When John Thomas Downey moved to New Britain as a young boy, one of his closest friends was Thomas J. Meskill, now the Governor of Connecticut.

Jack Downey had only started a career in the Central Intelligence Agency when

he was shot
Man down in 1952
in the over China.
News allegedly on a
mission to drop
supplies to anti-

Communist forces there. Now 42 years old, he has been imprisoned in China ever since, more than half his life.

When his 75-year-old mother, Mary Downey, suffered a stroke Wednesday night and lapsed into unconsciousness, Governor Meskill urged the White House to seek Mr. Downey's quick release.

After a personal plea by President Nixon to Premier Chou En-lai, it was announced that Mr. Downey would be released on Monday.

For Governor Meskill there was no question of waiting to take credit for the effort. By the time the news broke today, he was away on vacation.

"We were real good friends," he said by telephone.

The Meskills lived at 27 Connecticut Avenue, and the Downeys at 57 Connecticut Avenue. When Tom Meskill was sick or on vacation, Jack Downey took over his newspaper route. When the Downeys went to their summer place at Norwood Beach, Tom Meskill often went to visit.

They played ball together, but eventually in different leagues. Tom Meskill was a solidly built young man, but small. He went to New Britain High School and then to Trinity College. Jack Downey went to the Choate School and then to Yale, and wound up as a defensive tackle and a member of the heavyweight wrestling team. Yet he had the makings of an intellectual.

Governor Meskill said today: "He was a tremendous reader. He would read anything that was published."

After the Korean war broke out, Mr. Meskill went into the Army. He knew only that Jack Downey had gone into Government service, and never knew he had joined the C.I.A. Mr. Meskill was serving in Alaska when he heard that Mr. Downey had been shot down. He believed, like everyone else, that he was dead until the Chinese said almost two years later that he had been caught and imprisoned for life.

Mr. Downey's mother made three trips to China to visit her son. His brother, William, a lawyer in Manhattan, made the trip with her once.

President Nixon telephoned William Downey at his mother's bedside this afternoon to inform him that the Chinese had promised to release John Downey on Monday. Their mother is still in a coma most of the time. On the instructions of her physician, Dr. Raúl López, she has not been told that her son is being released.

When she suffered the stroke Wednesday night, Governor Meskill was given the news by telephone from J. Brian Gaffney, the Republican state chairman and another close friend from New Britain.

The Governor phoned the White House and the State Department that night, leaving his request with staff members that a special plea be made on John Downey's behalf. On Thursday morning, he spoke again with the White House.

"We are all very grateful to President Nixon for his efforts and to Chinese Premier Chou En-lai for his compassion in releasing John on learning of his mother's critical illness," Governor Meskill said in a statement issued by his office.

"I ask everyone to join in prayers for her recovery," the statement said.

A hospital bulletin this afternoon said Mrs. Downey's condition has "deteriorated somewhat" and was still critical.

HS/HC-950

THE NEW YORK TIMES, SATURDAY, MARCH 10, 1973

China to Free Downey of the C.I.A. Monday

**Mother Critically Ill
—2 Pilots Also Are
Due for Release**

By United Press International

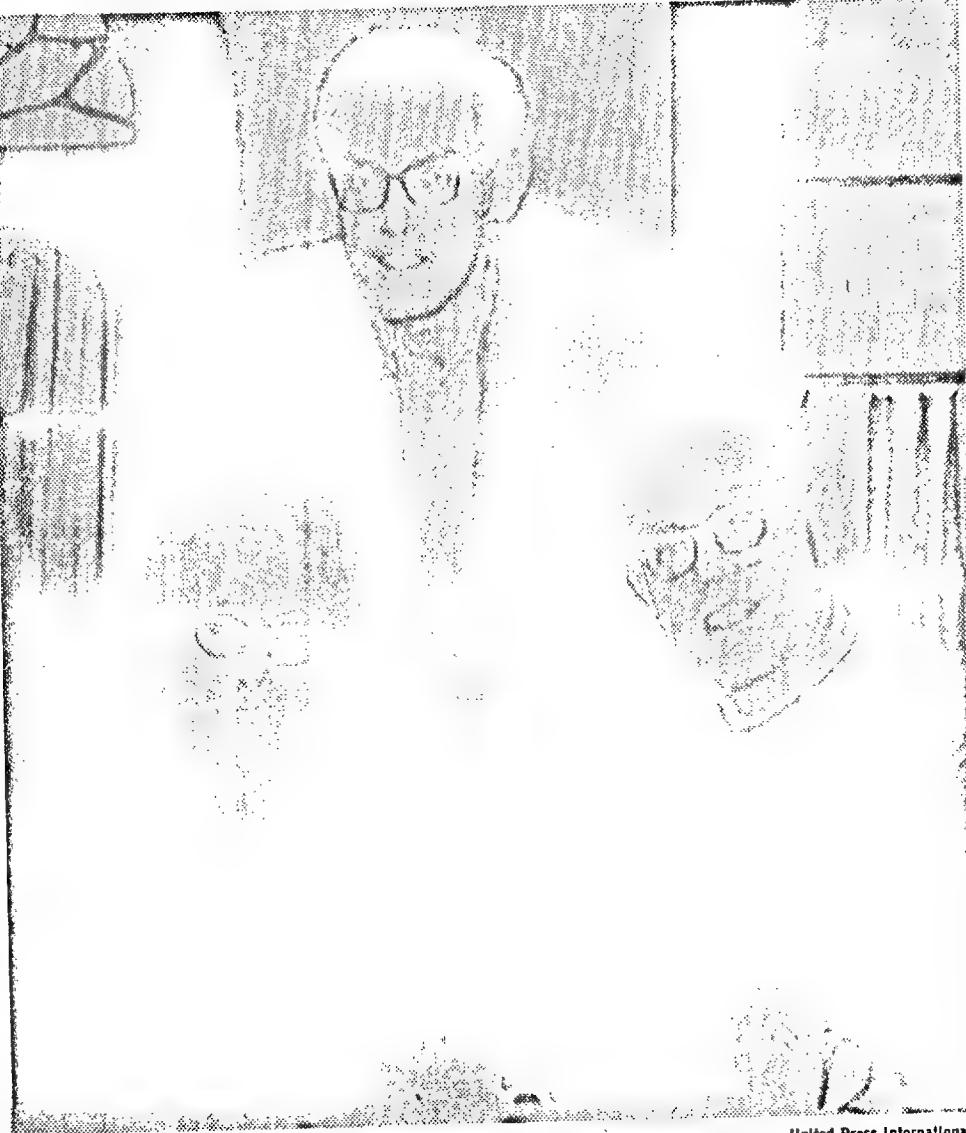
WASHINGTON, March 9—The White House announced today that the last three Americans held prisoner in China would be set free next week, one of them at the personal request of President Nixon to Premier Chou En-lai.

The press secretary, Ronald L. Ziegler, said Mr. Chou had agreed to commute the sentence of John T. Downey of the United States Central Intelligence Agency and allow him to leave China on Monday. Mr. Nixon had sent word that Mr. Downey's mother was critically ill in New Britain, Conn.

Gov. Thomas J. Meskill of Connecticut had asked Mr. Nixon to intercede on Mr. Downey's behalf.

The White House also announced that two American pilots, Maj. Philip E. Smith of the Air Force and Lieut. Comdr. Robert J. Flynn, would be freed Thursday. They were captured in 1965 and 1967 when they strayed over China during raids on North Vietnam.

Mr. Downey, 42 years old, has been imprisoned by the Chinese since 1952. His mother is hospitalized with a stroke at New Britain, Conn., near her



John T. Downey, right, being visited in a Peking prison in 1971 by his mother, Mrs. Mary Downey of New Britain, Conn., and his brother, William.

Continued on Page 10, Column 6

United Press International

CHINA IS FREEING DOWNEY OF C.I.A.

Continued From Page 1, Col. 1

by Chinese authorities Monday
Hartford home.

Mr. Downey will be set free
at the Hong Kong border.

Richard Fecteau of Lynn,
Mass., captured along with Mr.
Downey in 1952, was sentenced
to 20 years in prison and re-
leased last Dec. 12 after having
served most of his sentence.

In his announcement, Mr.
Ziegler said:

"The White House learned
on Wednesday evening of the
illness of John Downey's
mother, and the President
asked that this be commu-
nicated to Prime Minister Chou
En-lai on his behalf, calling to
the attention of the Prime Min-
ister the facts of Mr. Downey's
mother's illness.

"The Government of the
People's Republic of China has
informed the President that it
has decided to commute John
Downey's term and release him
on March the 12th.

"The Government of the
People's Republic of China will
release Mr. Downey, following
the decision to commute his
term, at the border between
the People's Republic of China
and Hong Kong, as I said, on
March the 12th.

"At the same time, the Gov-
ernment of the People's Repub-
lic of China, and in the same
communication, has informed
the President and the United
States that they will release
Lieut. Comdr. Robert J. Flynn
of the U. S. Navy and Maj.
Philip E. Smith of the U. S.
Air Force, who have been held
in the People's Republic of
China over the past years, on
the 15th of March.

"As you recall, Dr. Henry
A. Kissinger mentioned to you
in his briefing here following
his return from the People's
Republic of China that they
had indicated that Mr. Flynn
and Mr. Smith would be re-
leased during the 60-day period
of the Indochina agreement.

"President Nixon wants to
express his personal apprecia-
tion to the Government of the
People's Republic of China for
this action."

Mr. Downey and Mr. Fecteau
disappeared on a plane in 1952
during the Korean war.

received until China announced
in November, 1954, that Mr.
Downey had been sentenced to
life imprisonment on espionage
charges.

During his years in prison in
Peking, Mr. Downey was visited
by members of his family on
five different occasions. In
1971, his sentence was reduced
to five years.

At a news conference on Jan.
31, Mr. Nixon said Mr.
Downey's release was more dif-
ficult to obtain than the two
other prisoners because Mr.
Downey had been a C.I.A.
agent. It was the first time that
the United States had admitted
that Mr. Downey was a spy.

On Feb. 22, after his return
from China, Mr. Kissinger an-
nounced the two countries
would establish "liaison offices"
in each other's capitals and that
"as a sign of goodwill," the
Chinese had said they would
release the two flyers.

Major Smith, 38, was shot
down over China on Sept. 20,
1965, while on a Vietnam air
raid.

Commander Flynn, 35, was
shot down on Aug. 21, 1967,

after a bombing flight from the
aircraft carrier Constellation.

THE NEW YORK TIMES, SATURDAY, MARCH 10, 1973

THE EVENING STAR and DAILY NEWS
Washington, D. C., Friday, March 9, 1973

C-18
X

Misled on Ellsberg Trial, CIA Aide Says

LOS ANGELES (UPI) — A CIA analyst charged yesterday that his superiors lied to him to prevent him from testifying on behalf of Daniel Ellsberg in the Pentagon Papers trial.

"There was a definite attempt by the government to keep me from testifying in this court," said Samuel A. Adams.

Adams, a specialist on Communist troop strength, motiva-

tion and morale in Vietnam from 1966 to 1972, was called as a defense witness to offset two Army generals' testimony that material in the Pentagon Papers would have aided the enemy.

Ellsberg and Anthony Russo are charged with espionage, theft and conspiracy.

Adams has said that when he read a newspaper account of the testimony by the prosecution's generals, he wrote his superiors that the figures on

Communist troop strength cited by the Army were wrong.

The CIA analyst has testified the Army fabricated reports showing the Communist force at only half its real strength because of "political pressures," including the necessity to back up optimistic forecasts that the United States was winning the war.

Adams said he told his superiors in January that his reports should be brought to the attention of the Justice De-

partment, and he offered to testify for the defense. He testified his superiors told him that his memos on the subject had been submitted to the trial judge.

It was not until Feb. 17 that he learned that the material had not been turned over to the judge, Adams testified. Adams said he told a defense consultant that "I thought I had been lied to. I said I thought I had been had."

HS/IIC- 950

Joseph Alsop

Analyzing the CIA's Analysts

Unwittingly, the country has just been given a prime sample of the garbage that people like Daniel Ellsberg have been peddling as historical truth. The garbage sample also shows why President Nixon has put in James Schlesinger Jr. as director of the Central Intelligence Agency, to effect a forceful clean-out in some areas.

The particular pail of garbage served up at Ellsberg's trial was the testimony of Samuel Adams, an ex-CIA analyst and estimator. Adams darkly testified that in 1968, "there were political pressures from the military to display the enemy as weaker than he actually was." Normally, one must add, nothing could be more stale than an old row about just how many North Vietnamese and Vietcong troops were in the field in 1968.

This particular old row is worth examining, however, because it tells such a lot about what may be called the Ellsberg-type in government, and also about the operations of a crucial but obscure part of our government. The story begins, then, in late 1965 or early 1966, when President Lyndon Johnson declared, in effect, "Now we're in a guerrilla war, I want someone to tell me just how many guerrillas there are."

No one in the U.S. government has ever thought of responding to this kind of presidential command with bleak honesty, by saying: "I'm sorry, Mr. President, we just don't know." At that time, of course, no one did know, for at that time in Vietnam, our forces were not fighting guerrillas—which is how you find out how many there are. We were in bad fighting the enemy's big units, a necessary first stage.

Nonetheless, an incomparably ridiculous estimating process at once began among the civilian analysts in the CIA, and also among the military analysts in Saigon and the Pentagon. The system, in both cases, was to start with the ideal "table of organization" imposed by Hanoi in the South. This indicated the numbers of guerrillas Hanoi regarded as desirable at every level, hamlet, village, district and finally province.

With some difficulty, the numbers of hamlets, villages and districts in South Vietnam were ascertained. Multiplications were then made, on the basis of the ideal table of organization. The military analysts' result was 100,000 guerrillas. The CIA result was 300,000 guerrillas. This was because the CIA analysts, anti-war and anti-military, too, insisted upon including a huge number for the almost purely imaginary "secret self defense forces."

The first sequel was one of the most ludicrous bureaucratic wars in the often-ludicrous history of the intelligence bureaucracy. Meetings were held on both sides of the Pacific, as Adams indicated at the Ellsberg trial. Charges were hurled at the military by the civilians, and vice versa. Apparently, Adams participated. So did one of the men CIA director Schlesinger has now brought into the agency from outside, Maj. Gen. Daniel Graham—but Graham was on the side of comparative common sense.

One has to use the word "comparative," because of the second sequel. After the Tet offensive in 1968, the task of fighting guerrillas was belatedly taken in hand in Vietnam. It soon became apparent that the number of guerrillas had been enormously exaggerated. This was shown in other ways, too, such as the heavy, steadily increasing use of North Vietnamese replacements at all levels in the Vietcong military apparatus. North Vietnamese would never have been used in this manner, if southerners had been obtainable.

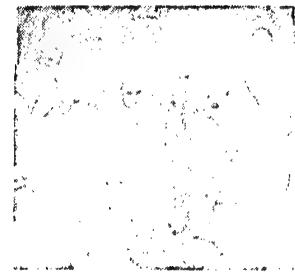
By agreement, therefore, the CIA and the army quietly reduced the guerrilla total on the official "order of battle" to only 60,000 men. Thus the military analysts had been wrong by a factor of three, and the CIA analysts had been wrong by a factor of five. It is at least better to be wrong by three in-

stead of five—which is why the Adams testimony is garbage.

The foregoing, one must add, was only one of the passionate errors that the CIA analysts produced in the Vietnamese war. Another specimen was the famous estimate that Hanoi was putting only minimal supplies through the Cambodian port of Sihanoukville. This estimate was later shown to be wholly false by the CIA itself.

These errors resulted, in turn, from a peculiar historical bias. Here consider the former colleagues of Samuel Adams, who were obstinately wrong about the Soviet re-invasion of Hungary, about the Soviet missiles in Cuba, and about the Soviet invasion of Czechoslovakia—all, presumably, because they did not wish to believe that such dreadful things could happen. It can be seen, then, why CIA Director Schlesinger has been given a job to do.

© 1973, Los Angeles Times



Rowland Evans and Robe

Nixon and A St. Louis

ST. LOUIS—Although middle-class Nixon voters still rank the President well above the Democratic-controlled Congress, they are so suspicious of one-man rule that they prefer congressional, not presidential, control over federal spending.

That conclusion, obtained from day-

long interviewing here helped by Oliver Quayles polling organization, ought to temper White House confidence—often mixed with arrogance—that Mr. Nixon has cornered the people's loyalties. Indeed, suspicions here about an over-powerful Executive are a warning in the night from the Nixon constituency.

Typical is a 35-year-old dental technician, nominally a Democrat, who voted for Mr. Nixon and is inclined to stay Republican in 1976. She thinks the President does a much better job than Congress and supports Nixon cutbacks in social services. Yet, she wants Congress to control the pursestrings, not Mr. Nixon, because "it's putting too much responsibility on one man. It would be like a dictatorship."

Such concern was expressed repeatedly in two middle-income precincts—one on the city's south side, the other

in suburban St. Ferdinand township—which have proved good Missouri voting barometers. The 53 registered voters interviewed by us and Quayles polltakers Lee Brandon and Helen Thomas mirrored last fall's outcome in the two precincts, with 31 for President Nixon, 18 for Sen. George McGovern and 4 not voting for president.

Although a majority consider themselves Democrats, they are not disaffected with their Republican President. They give Mr. Nixon a handsome 66 per cent job approval, compared with an anemic 37 per cent for Congress. Out of a maximum 100 on Quayles's scale measuring public trust both the President (70) and Congress (66) ranked high above Sen. Edward M. Kennedy's 42.

Moreover, in trial heats, Kennedy runs behind both Vice President Spiro T. Agnew and John B. Connally by identical counts of 25 to 20 (with 8 undecided). Only four voters considered poverty an important issue, and most backed Mr. Nixon holding down spending for the poor. Crime and narcotics, not the most comfortable issue for Democrats, was considered the most important.

LETTERS TO THE EDITOR: Saving Gas . . . Stand

20 Miles Per Gallon

Resources depletion, fuel shortages

ble, his remarks do not extend to those who "followed the lawful course" and became conscientious objectors. As

'Drug Use in Suburbia'

As I read more and more articles

100-100-950

CIA Analyst Says U.S. Tried To Still Him

By Sanford J. Ungar
Washington Post Staff Writer

LOS ANGELES, March 8—An analyst for the Central Intelligence Agency charged under oath today that there had been "a definite attempt on the part of the government to prevent me from testifying" as a witness in the Pentagon Papers trial.

Samuel A. Adams, who was subpoenaed to testify in defense of Daniel Ellsberg and Anthony J. Russo Jr., said that his superiors at the CIA "lied" to him in an effort to dissuade him from appearing in federal court here.

After learning of dealings between the Justice Department prosecutors in this case and an assistant CIA general counsel, Adams told the jury, he came to the conclusion that "I had been had."

The unusual testimony was the first inkling the jury has had of defense allegations that the prosecution in this case has "suppressed" evidence and tried to "silence" Adams as a witness.

U.S. District Court Judge W. Matt Byrne Jr. prohibited Adams from discussing some aspects of the situation—including matters that have previously occurred in court out of the presence of the jury—but admitted the testimony on the narrow issue of whether Adams is "biased or prejudiced" against either side in the case.

That was the impression which chief prosecutor David R. Nissen sought to give during extended cross-examination of Adams today.

Nissen's questions were apparently aimed at portraying the intelligence analyst as a chronic complainer within the CIA, who once accused top military officials of being in a "conspiracy to fabricate data on Vietnamese Communist troop strength."

Adams has held that view for several years now, and that was the thrust of his original testimony for Ellsberg and Russo—that some of the top-secret documents which they duplicated in 1969 contained falsified statistics on the "enemy order of battle."

As a result of those statistics being inaccurate and the documents being "dated" at the time, Adams testified, they would have been "virtually useless" if they had fallen into the hands of a foreign nation's intelligence apparatus.

When he first read newspaper reports of testimony to the contrary from a prosecution witness, Lt. Gen. William G. DePuy, Adams urged his superiors to send internal CIA

memoranda he had written on the "order of battle" to the Justice Department for transmission to the court here.

The intelligence analyst felt that he had evidence which might tend to establish the innocence of the defendants—namely, that U.S. military officials had intentionally underestimated the opposing forces in Vietnam in order to create "the impression that there was light at the end of the tunnel."

Questioned by the judge this afternoon, Adams said he was "advised by assistant CIA General Counsel John K. Greaney that his memoranda had been submitted to the court, only to learn later that they had not at the time actually been turned over to the judge."

Greaney told Adams in a written memo on Feb. 9 that, according to a message transmitted from Nissen through the Justice Department, the judge had decided the material was not "exculpatory" and so there would be no need for the Adams testimony here.

On the basis of that advisory, Adams said today, he decided to "desist" from his efforts to bring the evidence before the court himself.

It was on Feb. 17, when talking with Morton H. Halperin, a former Defense Department official who is a consultant to the defense attorneys here, that Adams learned this information was "inaccurate," he testified today.

The prosecution has denied that it made any attempt to suppress Adams' evidence, and Greaney—in an affidavit submitted to the court two weeks ago—said the allegation that he sought to persuade the CIA analyst not to testify was "absolutely false."

Adams has now been on the witness stand for three days, far longer than originally anticipated, and this has delayed the testimony of McGeorge Bundy, who was national security adviser to the late Presidents Kennedy and Johnson and is now president of the Ford Foundation.

It was also revealed in court today that the defense had subpoenaed a recently retired Army colonel, Gaines Hawkins, of West Point, Mississippi, to corroborate Adams' testimony on the alleged fabrication of the "order of battle" but that Hawkins on arrival in Los Angeles had declined to cooperate with defense attorneys and had been dismissed from the subpoena.



Going through the motions of a draft draw symbolic than real are Vicky Ross, a student

Big Campaign As Onus on t

By George Lardner Jr.
Washington Post Staff Writer

Big contributors to political campaigns may think they're buying special treatment, but often they're buying little more than the candidate's resentment, members of a Senate subcommittee agreed yesterday.

The senators took comfort from colleague George McGovern's assertion that, while he might not have made everything perfectly clear in his campaign for the presidency last year, he did demonstrate that even a national campaign can be financed "almost entirely from 'small contributions.'

Sens. John O. Pastore (D-R.I.) and Frank E. Moss (D-Utah) said some politicians may be able to stand it, but the indignities of kowtowing to big contributors with special receptions and private meetings are reason enough to put a limit on the money anyone can donate to a candidate.

"It's a matter of personal pride and self-respect," Pastore declared at a hearing of his Senate Communications Subcommittee on a new campaign financing bill. "I'm always embarrassed and humiliated to have to do these things."

Moss said that when campaign funds逼迫 him to make a special thank you phone call to a heavy contributor in the midst of a wearying schedule

unattractive to national politics "When I w tional candidate and drive him few precious big contribut very disheart ess, he said, date far less to devote to Cole estim ational candid than half his fund-raising this 'absolut from present American pe he'd like to."

The hearing to consider which would campaign sp elections an measure doe any limit o tributions, b an overall spending cei for the Wh House. I state of Rh example, tha \$168,250 in senatorial p and \$168,250 nner's gene paign.

McGovern committee flat and limit on t utions. W ners gave couple of dollars." h per cent o

WASHINGTON, D.C.
9 MAR 1973Joseph Alsop

Analyzing the CIA's Analysts

Unwittingly, the country has just been given a prime sample of the garbage that people like Daniel Ellsberg have been peddling as historical truth. The garbage sample also shows why President Nixon has put in James Schlesinger Jr. as director of the Central Intelligence Agency, to effect a forceful clean-out in some areas.

The particular pail of garbage served up at Ellsberg's trial was the testimony of Samuel Adams, an ex-CIA analyst and estimator. Adams darkly testified that in 1968, "there were political pressures from the military to display the enemy as weaker than he actually was." Normally, one must add, nothing could be more stale than an old row about just how many North Vietnamese and Vietcong troops were in the field in 1968.

This particular old row is worth examining, however, because it tells such a lot about what may be called the Ellsberg-type in government, and also about the operations of a crucial but obscure part of our government. The story begins, then, in late 1965 or early 1966, when President Lyndon Johnson declared, in effect, "Now we're in a guerilla war, I want someone to tell me just how many guerillas there are."

No one in the U.S. government has ever thought of responding to this kind of presidential command with bleak honesty, by saying: "I'm sorry, Mr. President, we just don't know." At that time, of course, no one did know, for at that time in Vietnam, our forces were not fighting guerillas—which is how you find out how many there are. We were instead fighting the enemy's big units, a necessary first stage.

Nonetheless, an incomparably ridiculous estimating process at once began among the civilian analysts in the CIA, and also among the military analysts in Saigon and the Pentagon. The system, in both cases, was to start with the ideal "table of organization" imposed by Hanoi in the South. This indicated the numbers of guerillas Hanoi regarded as desirable at every level, hamlet, village, district and finally province.

With some difficulty, the numbers of hamlets, villages and districts in South Vietnam were ascertained. Multiplications were then made, on the basis of

military analysts' result was 180,000 guerillas. The CIA result was 300,000 guerillas. This was because the CIA analysts, anti-war and anti-military, too, insisted upon including a huge number for the almost purely imaginary "secret self defense forces."

The first sequel was one of the most ludicrous bureaucratic wars in the often-ludicrous history of the intelligence bureaucracy. Meetings were held on both sides of the Pacific, as Adams indicated at the Ellsberg trial. Charges were hurled at the military by the civilians, and vice versa. Apparently, Adams participated. So did one of the men CIA director Schlesinger has now brought into the agency from outside, Maj. Gen. Daniel Graham—but Graham was on the side of comparative common sense.

One has to use the word "comparative," because of the second sequel. After the Tet offensive in 1968, the task of fighting guerillas was belatedly taken in hand in Vietnam. It soon became apparent that the number of guerillas had been enormously exaggerated. This was shown in other ways, too, such as the heavy, steadily increasing use of North Vietnamese replacements at all levels in the Vietcong military apparatus. North Vietnamese would never have been used in this manner, if southerners had been obtainable.

By agreement, therefore, the CIA and the army quietly reduced the guerilla total on the official "order of battle" to only 60,000 men. Thus the military analysts had been wrong by a factor of three, and the CIA analysts had been wrong by a factor of five. It is at least better to be wrong by three instead of five—which is why the Adams testimony is garbage.

The foregoing, one must add, was only one of the passionate errors that the CIA analysts produced in the Vietnamese war. Another specimen was the famous estimate that Hanoi was putting only minimal supplies through the Cambodian port of Sihanoukville. This estimate was later shown to be wholly false by the CIA itself.

These errors resulted, in turn, from a peculiar historical bias. Here consider the former colleagues of Samuel Adams, who were obstinately wrong about the Soviet re-invasion of Hungary, about the Soviet missiles in Cuba, and about the Soviet invasion of Czechoslovakia—all, presumably, because they did not believe such dreadful things could happen. It can be seen, then, why CIA Director Schlesinger has been given a job to do.

Washington Whispers®

[Items appearing on this page are being talked about in Washington or other news centers]

A Stiff New Broom at CIA

★ ★ ★

The Central Intelligence Agency is losing some of its scope in the quiet but significant reorganization of U. S. spy networks now in progress. Knowledgeable sources report that in areas where there is duplication of effort, James R. Schlesinger, the new CIA Director, is turning the job over to the military services and the Pentagon's Defense Intelligence Agency, not to his own civilian agency.

BALTIMORE SUN

9 MAR 1973

U.S. said to try to stop witness

Los Angeles (UPI)—A Central Intelligence Agency analyst told jurors at the Pentagon papers trial yesterday he believes the government tried to stop him from testifying in defense of Daniel Ellsberg and Anthony J. Russo, Jr.

A heated legal dispute about that testimony and about government efforts to portray the witness as a chronic complainer delayed the start of scheduled testimony by McGeorge Bundy, a presidential aide in the Kennedy and Johnson administrations.

The accusations made by Samuel A. Adams, a CIA analyst, raised issues that attorneys said may prolong his testimony through much of today's session, delaying Mr. Bundy's appearance until late today or early next week.

"I thought that I had been had," Mr. Adams told jurors, "and that there had been a definite attempt by the government to keep me from testifying in this court."

The Washington Merry-Go-Round

By Jack Anderson

1st arm of al-Fatah.

A few hundred hardened, embittered fedayeen were recruited whose main mission was to "get" King Hussein. Originally, claims a secret CIA report, "Fatah's assassination plans (were) aimed solely at Jordanian ministers, Army officers and members of the Royal Hashemite family.

The Black September terrorists struck first at Wafsi Tell, the late Jordanian Premier, who was gunned down in Cairo in November, 1971. This happened at a time when Saudi Arabia's King Faisal was trying to negotiate an accord between Jordan and al-Fatah. The King was worried, according to a secret report, "about the complete takeover of fedayeen leadership by radical extremists." He saw this as the "tragic inevitable outcome if Jordan continued to exclude the fedayeen wholly from any separate existence."

King Hussein, however, had intelligence reports of al-Fatah's involvement in the Black September attack upon Wafsi Tell. These reports "indicated the King and his family were equally targets of Fatah assassin plans."

He asked King Faisal to send a representative to Jordan "to be informed in detail of the evidence of Fatah's involvement." Faisal countered by inviting Hussein to send a representative to Saudi Arabia. Jordanian Ambassador Shanquiti was immediately

dispatched to Riyadh to present the evidence to Faisal.

The fedayeen, meanwhile, had been filling Faisal with stories of Jordanian brutality against al-Fatah.

For a time King Faisal didn't know whom to believe, but he increasingly became convinced that al-Fatah had been taken over by radicals. In the end, Faisal wound up in Hussein's corner. This is the reason, according to the CIA, that the Black September terrorists have now turned against the Saudis.

© 1972, United Feature Syndicate.

Black September

The Central Intelligence Agency has put together some fascinating facts about the Black September terrorists, which may explain why they stormed into the Saudi Arabian Embassy in Khartoum to commit their latest atrocity.

Apparently, the terrorists hoped to shock the world and embarrass the Saudis in the process by taking over their embassy and executing three of their distinguished guests, including American Ambassador Cleo Noel Jr. Here is the background from secret CIA reports, which have been shown to us:

The Black September movement, named for the month of September, 1970, when King Hussein started his successful drive to crush the Palestinians in Jordan, began as the terror-

ITT Denies Connection With Watergate Figure

International Telephone and Telegraph Corp. yesterday denied that it had any connection with any of the Watergate defendants as was alleged in a column by Jack Anderson Thursday.

In a statement from New York, R. G. Bateson, associate general counsel of ITT, said that the allegations in the column "are completely inaccurate and untrue."

"ITT never hired E. Howard Hunt or any so-called 'Mission Impossible team.' There is no link between ITT and any of the Watergate defendants, or break-ins of the Chilean embassy or Chilean diplomat's residences," Bateson said.

HS/HC-950

CIA Analyst Says U.S. Tried To Still Him

By Sanford J. Ungar
Washington Post Staff Writer

LOS ANGELES, March 8—An analyst for the Central Intelligence Agency charged under oath today that there had been "a definite attempt on the part of the government to prevent me from testifying" as a witness in the Pentagon Papers trial.

Samuel A. Adams, who was subpoenaed to testify in defense of Daniel Ellsberg and Anthony J. Russo Jr., said that his superiors at the CIA "lied" to him in an effort to dissuade him from appearing in federal court here.

After learning of dealings between the Justice Department prosecutors in this case and an assistant CIA general counsel, Adams told the jury, he came to the conclusion that "I had been had."

The unusual testimony was the first inkling the jury has had of defense allegations that the prosecution in this case has "suppressed" evidence and tried to "silence" Adams as a witness.

U.S. District Court Judge W. Matt Byrne Jr. prohibited Adams from discussing some aspects of the situation—including matters that have previously occurred in court out of the presence of the jury—but admitted the testimony on the narrow issue of whether Adams is "biased or prejudiced" against either side in the case.

That was the impression which chief prosecutor David R. Nissen sought to give during extended cross-examination of Adams today.

Nissen's questions were apparently aimed at portraying the intelligence analyst as a chronic complainer within the CIA, who once accused top military officials of being in a "conspiracy" to fabricate data on Vietnamese Communist troop strength.

Adams has held that view for several years now, and that was the thrust of his original ~~Approved For Release 2001/06/09 : CIA-RDP84-00499R001000110004-0~~ Ellsberg and Russo—that some of

the top-secret documents which they duplicated in 1969 contained falsified statistics on the "enemy order of battle."

As a result of those statistics being inaccurate and the documents being "dated" at the time, Adams testified, they would have been "virtually useless" if they had fallen into the hands of a foreign nation's intelligence apparatus.

When he first read newspaper reports of testimony to the contrary from a prosecution witness, Lt. Gen. William G. DePuy, Adams urged his superiors to send internal CIA memoranda he had written on the "order of battle" to the Justice Department for transmission to the court here.

The intelligence analyst felt that he had evidence which might tend to establish the innocence of the defendants—namely, that U.S. military officials had intentionally underestimated the opposing forces in Vietnam in order to create "the impression that there was light at the end of the tunnel."

Questioned by the judge this afternoon, Adams said he was "advised by assistant CIA General Counsel John K. Greaney that his memoranda had been submitted to the court, only to learn later that they had not at the time actually been turned over to the judge."

Greaney told Adams in a written memo on Feb. 9 that, according to a message transmitted from Nissen through the Justice Department, the judge had decided the material was not "exculpatory" and so there would be no need for the Adams testimony here.

On the basis of that advisory, Adams said today, he decided to "desist" from his efforts to bring the evidence before the court. It was on Feb. 17, when

talking with Morton H. Halperin, a former Defense Department official who is a consultant to the defense attorneys here, that Adams learned this information was "inaccurate," he testified today.

The prosecution has denied that it made any attempt to suppress Adams' evidence, and Greaney—in an affidavit submitted to the court two weeks ago—said the allegation that he sought to persuade the CIA analyst not to testify was "absolutely false."

Adams has now been on the witness stand for three days, far longer than originally anticipated, and this has delayed the testimony of McGeorge Bundy, who was national security adviser to the late Presidents Kennedy and Johnson and is now president of the Ford Foundation.

It was also revealed in court today that the defense had subpoenaed a recently retired Army colonel, Gaines Hawkins, of West Point, Mississippi, to corroborate Adams' testimony on the alleged fabrication of the "order of battle" but that Hawkins on arrival in Los Angeles had declined to cooperate with defense attorneys and had been dismissed from the subpoena.

HS/HC 85-2
Approved For Release 2001/06/09 : CIA-RDP84-00499R001000110004-0

WASHINGTON STAR

9 MAR 1973

China Prisoner's Freedom Sought, Mother Ailing

Efforts are under way to secure the immediate release from Communist China of CIA agent John T. Downey because his mother is in critical condition following a stroke.

Downey, 42, has been imprisoned since his plane was shot down over China in 1952.

The White House reported that Henry A. Kissinger, President Nixon's national security adviser, had a lengthy telephone conversation yesterday with Downey's brother, William, in New Britain, Conn., principally to discuss the mother's condition.

While the Kissinger call indicated the White House is taking a direct interest in the matter, Deputy Press Secretary Gerald L. Warren said only, "It would serve no purpose to comment further at this time."

Kissinger said following his recent talks in Peking that there were indications the Chinese might be nearly ready to release Downey, who originally was sentenced to life imprisonment for spying. The Chinese commuted his sentence in December 1971 to five more years.

CIA Analysis Attacked at 'Papers' Trial

By Sanford J. Ungar

Washington Post Staff Writer

LOS ANGELES, March 7 — A Justice Department prosecutor sought today to discredit the Central Intelligence Agency's method of estimating the number of Communist forces fighting in Vietnam.

David R. Nissen, the chief government attorney in the Pentagon Papers trial, suggested that if CIA guidelines were followed, "the entire population" of South Vietnam might have to be counted among the Communist troops there.

Nissen was cross-examining Samuel A. Adams, a CIA intelligence analyst who testified in federal court here Tuesday that American military officials in Vietnam had issued reduced estimates of the opposing forces while they were actually increasing in numbers in the late 1960s.

Subpoenaed as a defense witness for Daniel Ellsberg and Anthony J. Russo Jr., Ad-

ams has been at the center of an internal government controversy for several years over who should be included in calculations of the "enemy order of battle" in Vietnam.

Under questioning by Nissen, Adams acknowledged today that the CIA's responsibility in the area was "cloudy," while the U.S. Military Assistance Command in Vietnam (MACV) had a clear mandate to file monthly reports on the subject.

But the intelligence analyst stood by his earlier testimony that MACV removed "components" of the Communist forces, including "self-defense" fighters, from its "order of battle" in order to make the other side appear weaker than it was.

Because it was based on the MACV statistics, Adams said, the "National Intelligence estimate" for 1967—from which American policy in Vietnam was evolved—was "less than candid."

He testified that there were "peculiar" aspects to the way the figures were arrived at, including directions from ranking officers to use deliberately low estimates of some parts of the Communist forces.

The CIA researcher also ridiculed the Army's method of deciding who should be included in the statistics.

No Communist units was entered in the "order of battle," he said, unless American or South Vietnamese troops either "took a prisoner or captured a document" from that unit.

Under that standard, anti-aircraft units that fired on American planes were not included, Adams testified. "The pilots got flak in the air, but this didn't fit the criteria," he said.

Nissen's questions were apparently aimed at showing the jury that MACV's standards and statistics on enemy forces were more reasonable and realistic than the higher ones issued by the CIA, which, after August 1966, were compiled under Adams' direction.

The point is an important one in this trial, because MACV's "order of battle" statistics are cited in some of the top-secret document duplicated by Ellsberg and Russo in 1969, including a 1968 memo by Gen. Earle C. Wheeler, then Chairman of the Joint Chiefs of Staff, assessing the

rate, this would lend credibility to government witnesses who said that disclosure of the documents could have endangered the U.S. "national defense."

Adams and other defense witnesses contend that the disclosure was "virtually useless" to foreign nations.

The irony of the Justice effects of the Communists' offensive.

If those statistics were accurate, the Justice Department's position here in support of the MACV figures is that, according to Adams and published reports, the White House and National Security Council began relying on the CIA figures immediately after the Communists' Tet offensive and have done so ever since.

There was a blowup in the courtroom when U.S. District Court Judge W. Matt Byrne Jr. discovered that Russo had added "the people" to Adams' chart of the components in the Vietnamese Communist forces.

"This case is not being tried in a humorous vein," the judge scolded Russo. The defendant said he was "not trying to be humorous," but to "flesh out" the chart.

After a conference with his attorney, Leonard I. Weinglass, Russo apologized. Byrne told him that "any future such conduct will be dealt with in a way other than just a warning."

A 28 *Wednesday, March 7, 1973* THE WASHINGTON POST

Viet Reports Falsified, CIA Analyst Says

By Sanford J. Ungar

Washington Post Staff Writer

LOS ANGELES, March 6—An intelligence analyst for the Central Intelligence Agency testified in federal court here today that American military officials in Vietnam systematically falsified reports on the strength of the Communist forces there during the late 1960s.

Samuel A. Adams, subpoenaed as a defense witness in the Pentagon Papers trial, said that at one point when Communist forces were actually increasing in Vietnam, the official U.S. estimates of their numbers — sent to the White House and released to the press — were going down.

This happened, he explained, because the U.S. Military Assistance Command in Vietnam (MACV) deliberately "removed components" of the Communist forces from the "order of battle," which is the formal name of the intelligence estimate of opposing forces.

Adams said it was his impression, after attending meetings on the subject in Saigon, Honolulu and at CIA headquarters in Langley, Va., that this was done in 1968 as "a result of political pressures within the military to display the enemy as weaker than he actually was."

The CIA analyst suggested from the witness stand that Gen. Earle C. Wheeler, then chairman of the Joint Chiefs of Staff, and Gen. William C. Westmoreland, then commander of MACV, had been involved in the falsification of the statistics.

As a result of the falsification, Adams testified, the dis-

See PAPERS, A10, Col. 4

HS/HC-950

mps
s on
ls

Viet Reports Were Falsified, CIA Analyst Tells Court

PAPERS, From A1

closure by Daniel Ellsberg and Anthony J. Russo Jr. of top-secret documents containing the "order of battle" would have been "virtually useless" to a foreign nation.

Ellsberg and Russo are on trial here on charges of conspiracy, espionage and theft of government property as a result of their photocopying of the Pentagon Papers and other classified material from the Rand Corporation in 1969.

One of the documents mentioned in the indictment against them is a 1968 assessment by Gen. Wheeler of the effects of the Vietnamese Communists' Tet offensive.

Lt. Gen. William G. DePuy, testifying for the prosecution earlier in the trial, said the "order of battle" was one of the most sensitive items in that document and that its disclosure would have endangered the U.S. "national defense."

One paragraph in the Wheeler report cited by DePuy, an assistant to the Army Chief of Staff, said:

"He (the Vietnamese Communists) committed over 67,000 combat maneuver forces plus perhaps 25 percent or 17,000 more impressed men and boys, for a total of about 84,000. He lost 40,000 killed, at least 3,000 captured, and perhaps 5,000 disabled or died of wounds. He had peaked his force total to about 240,000 just before Tet, by hard recruiting, infiltration, civilian impressment, and drawdowns on service and guerrilla personnel."

Adams, shown that paragraph on a courtroom screen today, said that every statistic it was unreliable.

He explained that the 240,000 figure included only the Communists' "regulars," "guerrillas," and "service troops"—and even those at lower than realistic levels.

Left out altogether, Adams added, were the "self-defense militia," "secret self-defense," "political cadres" and "assault youths," all of whom played a role in the Communists' war effort. Had they been included, the intelligence analyst said, as he stood at easel in the middle of the courtroom tallying them up, the accurate "order of battle" would have been at least 440,000.

Even if the "order of battle" had been an accurate des-

cription of the situation as it was in February, 1968—when the Wheeler report was written—by October, 1969, when Ellsberg and Russo copied the document, information would have been "dated," Adams said.

Adams' testimony was considered especially significant, because he is the only actual intelligence analyst to appear at the trial.

He was able to explain on the basis of personal knowledge and experience how intelligence gathering and analysis works, while previous witnesses for both sides have testified on this point primarily in hypothetical terms.

A direct descendant of John Adams, the second president of the United States, he provided a brief chronicle of his career at the CIA, where he first studied the Congo and then, until April of last year, the Vietcong. He said he is now assigned to study "another country."

When he first took the witness stand this morning, Adams turned to the jury and said, "Incidentally, I am a researcher, not a spy, which is why I can get up here and talk."

His testimony was full of colloquialisms. He defined "order of battle" this way, for example: "Our estimate of how many baddies there are out there fighting against us."

After U.S. District Court Judge W. Matt Byrne Jr. cut in to ask what "baddies" meant, Adams corrected himself to say "adversaries" or "foe" each time he referred to the subject.

His job at the CIA with regard to the Vietcong, Adams said, was "trying to dope out what made these guys tick." As he testified, he became increasingly animated, and moved around so much on the witness stand that his shirttail was hanging out in back by the time each recess came around.

Byrne would not permit defense attorney Charles Nessen to question Adams about his unsuccessful attempts to get the Justice Department to use the "order of battle" information in this case. The defense, charging that the prosecution was trying to "silence" Adams, subpoenaed him after learning about those efforts.

Chief prosecutor David R. Nissen began his cross-examination of Adams late today by week.

inquiring about the intelligence analyst's contacts with Ellsberg's and Russo's attorneys and consultants.

Adams acknowledged that Morton H. Halperin, a former Pentagon official who is now a consultant to Ellsberg, had "referred to you (Nissen) as an untrustworthy character" during a conversation in Washington several weeks ago.

The intelligence analyst's testimony today included rare and frank public appraisals of the comparative quality of American and Vietnamese Communist intelligence operations.

He said that the Communists' intelligence was "excellent" and that at one point they "got copies of early drafts" of a joint American-South Vietnamese military operation "before our own commanders did."

By contrast, Adams testified, U.S. intelligence in Vietnam was "bad."

2-Term Mayor Of St. Louis Loses Primary

ST. LOUIS, March 6 (AP)—City Comptroller John H. Poelker won the Democratic nomination for mayor of St. Louis today over Mayor A. J. Cervantes.

Poelker had 44,605 votes to 40,018 for incumbent Cervantes with most of the vote counted. State Rep. James Conway was far back in the running with 12,399 votes. Cervantes was seeking the party's nomination to a third term.

Poelker will face Joseph Badaracco, president of the St. Louis Board of Aldermen, who was nominated Republican mayoral candidate. Badaracco had 9,138 votes to his closest competitor, Harvey Euge's 625.

Quake Aftershock Is Felt in California

PASADENA, Calif., March 6 (UPI)—Another aftershock was recorded Monday from the earthquake that rattled Southern California 13 days ago. The aftershock at 4:56 a.m. registered 3.5 on the Richter scale, it was reported.

It was at least the 14th aftershock since the quake Feb. 21, but the first in the past

laifa

we
14-year-
enteneed
in today
the ac-
Syrian
ring.
Mah-
ld Haifa
ie chief
threat-
house if

E—Back Page THE EVENING STAR and DAILY NEWS
Washington, D. C., Wednesday, March 7, 1973

Figures in Papers On Enemy Derided

New York Times News Service

LOS ANGELES—A Central Intelligence Agency analyst has testified at the Pentagon papers trial that he attended conferences in Saigon, Hawaii and at the agency, in which the military purposely diminished estimates of enemy strength in Vietnam.

The witness, Samuel A. Adams, said yesterday there were "political pressures in the military to display the enemy as weaker than he actually was."

The Adams testimony pertains to a 1968 Joint Chiefs of Staff memo, eight pages of which are among the 20 "top secret-sensitive" documents in this case.

A government witness, Lt. Gen. William G. DePuy, has testified that disclosure of those eight pages damaged the national defense, was of advantage to a foreign nation and could have helped Hanoi during the Vietnam war.

Adams said he believed release of the memorandum, written after the early Tet offensive in 1968, "would be virtually useless" to a foreign nation.

Off by 160,000

The memorandum gave the enemy order of battle at 240,000 troops, which Adams said "was not the best estimate of how many there were." He said a correct order of battle would have shown at least 400,000 enemy.

Adams, 38, is a Harvard graduate who served as a Navy officer before joining the CIA in March 1973. He told the jury, "I'm a researcher and not a spy, which is why I can come up here and talk."

He said that between October 1965 and April 1972 he worked almost exclusively in the agency doing research on

Accuracy Debated

He said that at the various conferences the "intelligence community" debated with the military the accuracy of the order of battle estimates.

The analyst said that in view of the damage the enemy inflicted during the 1968 Tet offensive, the Army's official order of battle estimates were "inherently unbelievable" and that "it is my belief the 240,000 figure was purposely low."

He said he based that belief on his own studies, based on information from captured enemy documents, among other things, and "from statements by Gen. Westmoreland, where he said at a news conference in November 1967 that the enemy is running out of men, more specifically out of guerrillas." Gen. William C. Westmoreland was at that time commander of the Army in Vietnam.

Recalled Reports

Adams said that he had read about Gen. DePuy's testimony in the newspaper and that he had recalled writing reports showing that the general's figures were wrong.

Earlier in the trial, after a battle between the defense and the government, U.S. District

Judge William Matthew Byrne Jr. ruled that the Adams reports must be turned over to the defense because they were exculpatory material in relation to espionage charges against the defendants, Daniel Ellsberg and Anthony J. Russo Jr., who also are accused of six counts of theft and one count of conspiracy.

HS/IIC Approved For Release 2001/06/09 : CIA-RDP84-00499R001000110004-0

A 28 *Wednesday, March 7, 1973 THE WASHINGTON POST*

Viet Reports Falsified, CIA Analyst Says

By Sanford J. Ungar
Washington Post Staff Writer

LOS ANGELES, March 6—An intelligence analyst for the Central Intelligence Agency testified in federal court here today that American military officials in Vietnam systematically falsified reports on the strength of the Communist forces there during the late 1960s.

Samuel A. Adams, subpoenaed as a defense witness in the Pentagon Papers trial, said that at one point when Communist forces were actually increasing in Vietnam, the official U.S. estimates of their numbers — sent to the White House and released to the press — were going down.

This happened, he explained, because the U.S. Military Assistance Command in Vietnam (MACV) deliberately "removed components" of the Communist forces from the "order of battle," which is the formal name of the intelligence estimate of opposing forces.

Adams said it was his impression, after attending meetings on the subject in Saigon, Honolulu and at CIA headquarters in Langley, Va., that this was done in 1968 as "a result of political pressures within the military to display the enemy as weaker than he actually was."

The CIA analyst suggested from the witness stand that Gen. Earle C. Wheeler, then chairman of the Joint Chiefs of Staff, and Gen. William C. Westmoreland, then commander of MACV, had been involved in the falsification of the statistics.

As a result of the falsification, Adams testified, the dis-

See PAPERS, A10, Col. 4

HS/HC-950

mps s on ls

Viet Reports Were Falsified, CIA Analyst Tells Court

PAPERS, From A1

A1
does not
companies
ntrols sub-
tances for
declines or
ceiling on
gured on
ercentage of

the gov-
to reduce
t may not
less it re-
e govern-

like most
in Phase
subject to
tions until
per cent
se prices.
tems cov-
rule, the
imum the
mitted to
s 90-day

es will be
onthly re-
f Living
cost in-
ditions.
John T.
statement
t a puni-
designed
pressure
nd petro-
rom trig-
price in-
ew rules
flexibility
in prod-
terfering
respond
s in de-
ons both
l individ-
lances."

laifa

we
40-year-
entended
in today
the ac-
Syrian
ring.
ed Mah-
ld Haifa
ic chief
, threat-
house if

closure by Daniel Ellsberg and Anthony J. Russo Jr. of top-secret documents containing the "order of battle" would have been "virtually useless" to a foreign nation.

Ellsberg and Russo are on trial here on charges of conspiracy, espionage and theft of government property as a result of their photocopying of the Pentagon Papers and other classified material from the Rand Corporation in 1968.

One of the documents mentioned in the indictment against them is a 1968 assessment by Gen. Wheeler of the affects of the Vietnamese Communists' Tet offensive.

Lt. Gen. William G. DePuy, testifying for the prosecution earlier in the trial, said the "order of battle" was one of the most sensitive items in that document and that its disclosure would have endangered the U.S. "national defense."

One paragraph in the Wheeler report cited by DePuy, an assistant to the Army Chief of Staff, said:

"He (the Vietnamese Communists) committed over 67,000 combat maneuver forces plus perhaps 25 per cent or 17,000 more impressed men and boys, for a total of about 84,000. He lost 40,000 killed, at least 3,000 captured, and perhaps 5,000 disabled or died of wounds. He had peaked his force total to about 240,000 just before Tet, by hard recruiting, infiltration, civilian impressment, and drawdowns on service and guerrilla personnel."

Adams, shown that paragraph on a courtroom screen today, said that every statistic in it was unreliable.

He explained that the 240,000 figure included only the Communists' "regulars," "guerrillas," and "service troops"—and even those at lower than realistic levels.

Left out altogether, Adams added, were the "self-defense militia," "secret self-defense," "political cadres" and "assault youths," all of whom played a role in the Communists' war effort. Had they been included, the intelligence analyst said, as he stood at a easel in the middle of the courtroom tallying them up, the accurate "order of battle" would have been at least 440,000.

Even if the "order of battle" had been an accurate des-

cription of the situation as it was in February, 1968—when the Wheeler report was written—by October, 1969, when Ellsberg and Russo copied the document, information would have been "dated," Adams said.

Adams' testimony was considered especially significant, because he is the only actual intelligence analyst to appear at the trial.

He was able to explain on the basis of personal knowledge and experience how intelligence gathering and analysis works, while previous witnesses for both sides have testified on this point primarily in hypothetical terms.

A direct descendant of John Adams, the second president of the United States, he provided a brief chronicle of his career at the CIA, where he first studied the Congo and then, until April of last year, the Vietcong. He said he is now assigned to study "another country."

When he first took the witness stand this morning, Adams turned to the jury and said, "Incidentally, I am a researcher, not a spy, which is why I can get up here and talk."

His testimony was full of colloquialisms. He defined "order of battle" this way, for example: "Our estimate of how many baddies there are out there fighting against us."

After U.S. District Court Judge W. Matt Byrne Jr. cut in to ask what "baddies" meant, Adams corrected himself to say "adversaries" or "foc" each time he referred to the subject.

His job at the CIA with regard to the Vietcong, Adams said, was "trying to dope out what made these guys tick." As he testified, he became increasingly animated, and moved around so much on the witness stand that his shirttail was hanging out in back by the time each recess came around.

Byrne would not permit defense attorney Charles Nessen to question Adams about his unsuccessful attempts to get the Justice Department to use the "order of battle" information in this case. The defense, charging that the prosecution was trying to "silence" Adams, subpoenaed him after learning about those efforts.

Chief prosecutor David R. Nissen began his cross-examination of Adams late today by asking

inquiry about the intelligence analyst's contacts with Ellsberg's and Russo's attorneys and consultants.

Adams acknowledged that Morton H. Halperin, a former Pentagon official who is now a consultant to Ellsberg, had "referred to you (Nissen) as an untrustworthy character" during a conversation in Washington several weeks ago.

The intelligence analyst's testimony today included rare and frank public appraisals of the comparative quality of American and Vietnamese Communist intelligence operations.

He said that the Communists' intelligence was "excellent" and that at one point they "got copies of early drafts" of a joint American-South Vietnamese military operation "before our own commanders did."

By contrast, Adams testified, U.S. intelligence in Vietnam was "bad."

2-Term Mayor Of St. Louis Loses Primary

ST. LOUIS, March 6 (AP)—City Comptroller John H. Poelker won the Democratic nomination for mayor of St. Louis today over Mayor A. J. Cervantes.

Poelker had 44,605 votes to 40,018 for incumbent Cervantes with most of the vote counted. State Rep. James Conway was far back in the running with 12,399 votes. Cervantes was seeking the party's nomination to a third term.

Poelker will face Joseph Badaracco, president of the St. Louis Board of Aldermen, who was nominated Republican mayoral candidate. Badaracco had 9,138 votes to his closest competitor, Harvey Euge's 625.

Quake Aftershock Is Felt in California

PASADENA, Calif., March 6 (UPI)—Another aftershock was recorded Monday from the earthquake that rattled Southern California 13 days ago. The aftershock at 4:56 a.m. registered 3.5 on the Richter scale, it was reported.

It was at least the 14th aftershock since the quake Feb. 21, but the first in the past

Viet Reports Falsified, CIA Analyst Says

By Sanford J. Ungar
Washington Post Staff Writer

LOS ANGELES, March 6—An intelligence analyst for the Central Intelligence Agency testified in federal court here today that American military officials in Vietnam systematically falsified reports on the strength of the Communist forces there during the late 1960s.

Samuel A. Adams, subpoenaed as a defense witness in the Pentagon Papers trial, said that at one point when Communist forces were actually increasing in Vietnam, the official U.S. estimates of their numbers—sent to the White House and released to the press—were going down.

This happened, he explained, because the U.S. Military Assistance Command in Vietnam (MACV) deliberately “removed components” of the Communist forces from the “order of battle,” which is the formal name of the intelligence estimate of opposing forces.

Adams said it was his impression, after attending meetings on the subject in Saigon, Honolulu and at CIA headquarters in Langley, Va., that this was done in 1968 as “a result of political pressures within the military to display the enemy as weaker than he actually was.”

The CIA analyst suggested from the witness stand that Gen. Earle C. Wheeler, then chairman of the Joint Chiefs of Staff, and Gen. William C. Westmoreland, then commander of MACV, had been involved in the falsification of the statistics.

As a result of the falsification, Adams testified, the dis-

closure by Daniel Ellsberg and Anthony J. Russo Jr. of top-secret documents containing the “order of battle” would have been “virtually useless” to a foreign nation.

Ellsberg and Russo are on trial here on charges of conspiracy, espionage and theft of government property as a result of their photocopying of the Pentagon Papers and other classified material from the Rand Corporation in 1969.

One of the documents mentioned in the indictment against them is a 1968 assessment by Gen. Wheeler of the effects of the Vietnamese Communists’ Tet offensive.

Lt. Gen. William G. DePuy, testifying for the prosecution earlier in the trial, said the “order of battle” was one of the most sensitive items in that document and that its disclosure would have endangered the U.S. “national defense.”

One paragraph in the Wheeler report cited by DePuy, an assistant to the Army Chief of Staff, said:

“He (the Vietnamese Communists) committed over 67,000 combat maneuver forces plus perhaps 25 percent or 17,000 more impressed men and boys, for a total of about 84,000. He lost 40,000 killed, at least 3,000 captured, and perhaps 5,000 disabled or died of wounds. He had peaked his force total to about 240,000 just before Tet, by hard recruiting, infiltration, civilian impressment, and drawdowns on service and guerrilla personnel.”

Adams, shown that paragraph on a courtroom screen today, said that every statistic in it was unreliable.

He explained that the 240,000 figure included only the Communists’ “regulars,” “guerrillas,” and “service troops”—and even those at lower than realistic levels.

Left out altogether, Adams added, were the “self-defense militia,” “secret self-defense,” “political cadres” and “assault youths,” all of whom played a role in the Communists’ war effort. Had they been included, the intelligence analyst said, as he stood at a easel in the middle of the courtroom tallying them up, the accurate “order of battle” would have been at least 440,000.

Even if the “order of battle” had been an accurate des-

cription of the situation as it was in February, 1968—when the Wheeler report was written—by October, 1969, when Ellsberg and Russo copied the document, information would have been “dated,” Adams said.

Adams’ testimony was considered especially significant, because he is the only actual intelligence analyst to appear at the trial.

He was able to explain on the basis of personal knowledge and experience how intelligence gathering and analysis works, while previous witnesses for both sides have testified on this point primarily in hypothetical terms.

A direct descendant of John Adams, the second president of the United States, he provided a brief chronicle of his career at the CIA, where he first studied the Congo and then, until April of last year the Vietcong. He said he is now assigned to study “another country.”

When he first took the witness stand this morning, Adams turned to the jury and said, “Incidentally, I am a researcher, not a spy, which is why I can get up here and talk.”

His testimony was full of colloquialisms. He defined “order of battle” this way, for example: “Our estimate of how many baddies there are out there fighting against us.”

After U.S. District Court Judge W. Matt Byrne Jr. cut in to ask what “baddies” meant, Adams corrected himself to say “adversaries” or “foe” each time he referred to the subject.

His job at the CIA with regard to the Vietcong, Adams said, was “trying to dope out what made these guys tick.” As he testified, he became increasingly animated, and moved around so much on the witness stand that his shirttail was hanging out in back by the time each recess came around.

Byrne would not permit defense attorney Charles Nessen to question Adams about his unsuccessful attempts to get the Justice Department to use the “order of battle” information in this case. The defense, charging that the prosecution was trying to “silence” Adams, subpoenaed him after learning about those efforts.

Chief prosecutor David R. Nissen began his cross-examination of Adams by asking

Adams’ attorney about the intelligence analyst’s contacts with Ellsberg’s and Russo’s attorneys and consultants.

Adams acknowledged that

Morton H. Halperin, a former

Pentagon official who is now

a consultant to Ellsberg, had

“referred to you (Nissen) as

an untrustworthy character”

during a conversation in Wash-

ington several weeks ago.

The intelligence analyst’s testimony today included rare and frank public appraisals of the comparative quality of American and Vietnamese Communist intelligence operations.

He said that the Communists’ intelligence was “excellent” and that at one point they “got copies of early drafts” of a joint American-South Vietnamese military operation “before our own commanders did.”

By contrast, Adams testified, U.S. intelligence in Viet-

nam was “bad.”

HS/HC-950

THE WASHINGTON POST Tuesday, March 6, 1973

CIA to Stop Giving Aid to Local Police

The Central Intelligence Agency has agreed with the chairman of the House Committee on Government Operations to drop its technical assistance to local police agencies except in "compelling circumstances."

Chairman Chet Holifield (D-Md.) made the CIA's decision public yesterday.

CIA assistance to about a dozen local police agencies across the nation included specialized training in street surveillance" to Montgomery County police and training for strict and Fairfax police.

Police from Arlington and Alexandria attended a demonstration at CIA headquarters in McLean of a substance used for detecting whether a person has handled a metal object, such as a gun.

Holifield urged CIA Director James R. Schlesinger Jr. to continue CIA training of local police because the practice could create problems in the training intelligence agency resources and involving the CIA in "domestic-type activities contrary to the agency's basic mission."

"Compelling circumstances" under which the training could be allowed might include investigations of international crime and drug trafficking, a spokesman for the Government Operations Committee said.

HS/HG
Approved for

The Washington Merry-Go-Round

THE WASHINGTON POST, Tuesday, March 6, 1973

B 15

CIA on the Trail of a Book About CIA

By Jack Anderson

The cloak-and-dagger boys at the Central Intelligence Agency are trying to get an advance copy of a book which is highly critical of the CIA's "dirty tricks department."

The author, ex-Air Force Col. L. Fletcher Prouty, was the Pentagon support officer for the CIA over a nine-year period. He did everything from supplying them with James Bond weapons to shipping three dozen lobsters to a CIA bigwig. And he has written a book about it, "The Secret Team."

To get the unedited galley, the CIA library approached the distinguished Sidney Kramer bookstore only a few blocks from the White House. A representative of the bookstore immediately called Prouty and suggested he could "help the sale" of the book by providing a copy of the galley.

But Prouty had been in intelligence too long to be an easy touch. He agreed to meet with the Kramer representative and then secretly recorded their conversation. Here is a partial transcript:

"Do you represent others?" asked Prouty.

"I can tell you who wants this," confided the emissary. "They're on our backs—the CIA."

"They are?"

"Evidently someone was going to present them with a copy the day before yesterday," said the representative.

but the deal fell through.

Prouty refused to turn over the galley to the CIA, which had a messenger waiting for them at the bookstore. We can provide the CIA, however, with some of the highlights:

CIA Secrets

- The CIA, Prouty charges, trained agents in the Maine woods because of the similarity to the Russian fir forests. Then it flew them to Norway where they were hopped into Russia on a light pontooned plane which landed on a hidden lake.

- The CIA skillfully managed to keep out of the Pentagon Papers almost all mention of its assassination and other "dirty tricks" operations in South Vietnam, alleges Prouty. Instead, the CIA larded the Papers with examples of how good its intelligence proved to be.

- In 1959, one of CIA Chief Allen Dulles' spy planes allegedly was shot down over Russia. The crew was captured, questioned by Soviet intelligence and later quietly returned to the United States. (They were debriefed after their return, by, among others, James McCord, a former CIA man convicted in the Watergate scandal.)

- Even though the late President Kennedy ordered the Joint Chiefs to keep a tight rein on covert CIA military operations after the Bay of Pigs debacle, the CIA circumvented the order in Vietnam and the Pentagon supinely let

them get away with it, saysers. He wants to fill his campaign chest with enough money to run for governor again in 1974 and for president in 1976.

Footnote: In an earlier incident, the CIA went to court to block a book by one of its former employees, Victor Marchetti. But Prouty was never on the CIA payroll. When we asked the CIA whether an attempt would be made to suppress Prouty's book, a spokesman said: "There are no plans whatsoever to do anything about the book."

Headlines, Footnotes

Wistful Wallace—We reported last July that Alabama's Gov. George Wallace didn't consider his confinement to a wheelchair as an obstacle to his presidential ambitions but rather looked upon himself as a poor man's Franklin D. Roosevelt. He pointed out to subordinates that FDR had run four presidential campaigns from a wheelchair. But the wheelchair has slowed Wallace down and has raised doubts among his supporters that he remains a creditable candidate. As a result, the campaign cash has stopped flowing in. In 1968, Wallace raised a staggering \$9 million in \$1, \$5 and \$10 bills. After he wound up in a wheelchair, however, he collected less than \$2 million in 1972. He now desperately needs money to pay old campaign bills and to fuel his future political campaigns. He plans, therefore, to send solicitation letters to everyone on his mailing lists and to make personal calls to his big financial back-

Tax Dodge Award—Out of his exhaustive research on tax inequities, ex-Sen. Fred Harris has agreed to select for us a tax avoider of the week. This week's award goes to the Aluminum Company of America. In 1971, Alcoa didn't pay a penny on profits of \$50,199,000, Harris charges. Other corporations paid a corporate tax of 48 per cent. Alcoa was able to get away with this gigantic tax dodge because of the mineral depletion allowance, which permits mining interests to avoid most of their income tax. The rest of the taxpayers, of course, must make up what Alcoa was excused from paying. Harris' Tax Action Campaign plans to picket and pamphlet the major tax avoiders every week up to Income Tax Day on April 16.

Foolish Films—The White House, through its Office of Management and Budget, has issued a memo directing government agencies to stop making so many foolish films and tapes. The instructions went out after Rep. Barry Goldwater Jr. (R-Calif.) discovered that the government was wasting millions on dubious audio-visual productions. He found that the Pentagon, for instance, has produced 12 separate films on how to brush your teeth.

© 1973, United Feature Syndicate

New CIA Chief Seeks Closer Rein on U.S. Espionage Community

CIA's Schlesinger Begins Streamlining Operations

By Thomas O'Toole
Washington Post Staff Writer

The new director of the Central Intelligence Agency has begun the long-promised reorganization of the vast U.S. intelligence community with an eye toward streamlining his own agency and bringing military intelligence under closer civilian control.

At the peak of the Vietnam war, the U.S. intelligence community employed 150,000 persons and spent \$6 billion a year, a growth that led to duplication, inter-agency bickering and jurisdictional jealousies that horrified President Nixon.

In his first month as director, James R. Schlesinger has moved three choices of his own into top jobs at the CIA, forced out two mem-

bers of the old guard and set about the task of bringing under CIA control the three other federal services that with the CIA make up the bulk of the U.S. intelligence network.

This description of Schlesinger's first month as CIA director came from an authoritative source, who said that Schlesinger is acting on the personal instructions of the President. It was Schlesinger who directed a massive study of the intelligence community when he was a member of the Office of Management and Budget in 1971, just before he became chairman of the Atomic Energy Commission.

See CIA, A27, Col. 1

CIA, From A1

Paring of the Defense Department's intelligence activities began even before Schlesinger moved into the CIA. Manpower at the Defense Intelligence Agency, the National Security Agency and the intelligence branches of the four armed services had climbed above 100,000 persons at one point. In addition, 50,000 others were scattered through 10 other agencies.

One source on Capitol Hill said that \$1 billion had been cut from the budget of the Defense Intelligence Agency alone, a figure that was disputed in size only by another source.

"It wasn't that much of a cut," the source said, "but it was a good-sized bite."

Since becoming director, Schlesinger has made five key moves in his attempts to strengthen the CIA, which one source said was suffer-

ing from "aging and bureaucratization."

Schlesinger appointed William E. Colby as deputy director of plans, which is the CIA title for the man who heads the agency's covert espionage operations or "department of dirty tricks." Now 53 years old, Colby was at one time head of the U.S. pacification program in South Vietnam.

Colby replaced Thomas Karamessines, who had wanted to retire two years ago but

The new CIA director is also said to believe that the CIA ought to change its role with the changing times. One source said that Schlesinger believes the CIA must begin to gather more intelligence about international crime, terrorism and narcotics traffic.

"The international terrorist movement is something that Schlesinger feels should be watched far more closely," the same source said. "There are some people in intelligence who say it's going to take a major effort to keep these terrorists out of the U.S., to keep them from assassinating public figures right here on American soil."

Schlesinger is also said to be concerned about public opinion of the CIA and the role of espionage in an increasingly critical world society.

"I think Jim would like it if the American public had a greater understanding of the need for intelligence," one source said. "I don't think he believes he can get the job done right if there is hostility and opposition to the CIA because it's thought to be a nest of spies."

Richard Helms' departure from the CIA was said to be as much of a sign of change at the CIA as Schlesinger's arrival. Helms presided over the CIA for the past seven years, during which time the United States was caught in a series of intelligence failures.

The loss of the Pueblo, the loss of a U.S. reconnaissance plane in North Korea right after the Pueblo disaster, the abortive raid on the Sontay prisoners-of-war camp in North Vietnam are all cited as failures of U.S. intelligence. The lack of intelligence about North Vietnam's invasion of Cambodia in 1970 and of its offensive in South Vietnam a year ago are also cited as examples of an intelligence community grown too bureaucratic.

While Helms was admired for his tough-mindedness, he was also viewed with suspicion by the Nixon White House for his independence and his alliances in Washington society.

His power base in Congress, his friendship with Washington columnists and his socializing at Georgetown cocktail parties were all frowned upon in the White House, where a low profile is admired more than standing in society.

who stayed on at the insistence of the White House. One published report said that Karamessines had been fired by Schlesinger, but sources close to the CIA insisted this was incorrect.

The new CIA director also pulled a pair of generals out of the Pentagon to serve on the newly formed Intelligence Resource Advisory Committee. They are Army Maj. Gen. Daniel O. Graham and Air Force Maj. Gen. Lew Allen, both of whom

have served in military intelligence and knew Schlesinger who had admired them since his own days with the Rand Corp.

"Jim [Schlesinger] is a takeover kind of guy," one source said, "and these appointments bring in men he feels comfortable with, who will back him up when the going gets tough."

The going is expected to get tough quite soon, since it is understood that Schlesinger plans a complete

overhauling of the CIA. One source described the CIA as an "old boy network" that had been allowed to grow unchecked since it was created by President Truman in 1947. The CIA now employs 15,000 persons and has a budget of \$600 million a year.

Schlesinger has already forced two old CIA hands into early retirement. One is Bronson Tweedy, former deputy to Schlesinger's predecessor, Richard M.

Helms. The other is Thomas Parrott, a deputy to Tweedy who had been at the CIA since 1961.

Schlesinger is said to believe that the CIA must shift gears now that there is a cease-fire in Vietnam. He is said to think that the Middle East should now be the focus of CIA attention, particularly since the Soviet Union is understood to be

out of the Mediterranean and into the Persian Gulf.

PHILADELPHIA, PA.

BULLETIN

MAR 4 1973

E - 634,371

S - 701,743

Claude Lewis: Like It Is

Citizen Fights to End Secrecy in CIA Spending



For the past five years, William Richardson has been waging a one-man war against the CIA. But until last week, the nation's super-sleuth agency really hadn't noticed.

The United States Supreme Court brought Richardson to the CIA's attention when it gave the Greensburg, Pa., resident the right to bring suit over the secrecy of CIA appropriations and expenditures.

A long time ago, when Richardson was in school, he was taught that the public has a right to know what the government was doing with every tax dollar. Richardson never forgot that lesson and he is attempting, as he puts it, to bring the CIA under the United States Constitution.

In a recent interview, Richardson explained: "I just felt I was injured by not being able to get the information I was constitutionally entitled to as a citizen of the United States.

I don't think any agency of the government should have the right to spend public funds without having to account or be accountable for them. The CIA is a clandestine organization. It doesn't give out information to the public about its operational expenditures, so I called on the U.S. Treasury department. I was surprised when the Treasury told me it didn't know exactly what the CIA was spending U.S. funds for. What's more, the Treasury said it didn't even know how much the CIA was spending!"

FOR MOST of the years Richardson has been fighting with government officials, he has not had the benefit of lawyers. However, when he appears before the Supreme Court (probably this summer), he will have a battery of American Civil Liberty lawyers at his side to argue his case.

"It's not that I'm anti-CIA," Richardson said. "It's just that I believe the public has a right to know. Everytime the public is denied information about government activities, we all lose a little more of our freedom. I don't consider myself a troublemaker, but I never anticipated five-and-a-half years of trouble and tension."

If Richardson doesn't see himself as a troublemaker, it's clear that others do. The "trouble and tension" to which he refers may have cost him plenty.

He had been employed for 10 years with a Pennsylvania insurance company. But after he began making persistent inquiries into government activities, he was eased out of his job. Richardson, who resigned as a major in the Air Force Reserve in 1965, was unemployed for 18 months.

"I'm not suggesting that my activities had anything to do with my being fired. But then I'm not suggesting that there wasn't a connection either," he said.

Richardson is not concerned about his physical safety, but his wife and three grown children are.

"It's not important what happens to me," he said. "I have to do what I feel is right. I have a lot of confidence in our government and the courts. My entire family believes in this country. My daughter is going into missionary work in India, my son served in the Marines and I have a younger boy now studying at Indiana University of Pennsylvania. We love America."

Richardson believes that there are several laws and procedures operating in America which are unjust. But, he insists, so long as the public fails to challenge them, they will continue.

RICHARDSON IS a very unusual man. Most of us are taught that we have a say in our government. But once we get out of school we forget the lesson. Our system of government makes the individual feel impotent. We see ourselves as tiny cogs in a giant wheel and begin to believe that politicians are our government, that we have no say at all.

"Oh, we have a great deal of power and authority as individuals," Richardson insists. "What we need more of is the will to get our government straight.

"I have no hostility in me. I have only the desire to keep America free and on the right track, and I'm proud that our system of government still recognizes the individual."

So long as men like Richardson exist, a government of the people will exist for us all.

HS/HC- 950

LOS ANGELES TIMES

2 MAR 1973

Linked to Request

On Thursday, Hill said Underground Evangelism was also connected to Landgrebe's request for the one-week postponement and investigation.

The basis of the request, Hill said, was information from two of Landgrebe's constituents claiming they had been told by an officer of Underground Evangelism during a fund-raising benefit that Kourdakov was indeed murdered by Russian agents.

After passing along the information, the officer then asked for contributions, the persons said. "They left no stone unturned to capitalize on his death," one constituent wrote. She had doubts about both the group and Kourdakov, she said, because "if he was a born-again Christian, why was he shackled up with that girl?"

The officer of Underground Evangelism, Kenneth Boughman, later denied to San Bernardino sheriff's detectives that he had claimed Kourdakov was murdered and denied having any knowledge of such an occurrence.

"He said he had no information at all," said Det. James Cox, who later concluded that "there was no indication of foul play" in Kourdakov's death.

Kourdakov, 21, gained note in 1971 when he jumped from a Russian trawler and swam to the British Columbia coast in a 20-hour ordeal.

Bass later signed him to a contract under which Kourdakov toured church groups telling his story. A bill was introduced in Congress last year by Landgrebe to grant Kourdakov permanent U.S. residence.

Critics of Underground Evangelism have said that by distracting attention from the circumstances of Kourdakov's death the group hoped to create a martyr—and quick financial profits—from the incident.

On Thursday, however, Bass told coroner's jurors that his doubts over Kourdakov's death "had been great" and that his group had been investigating the shooting.

Death of Russian Defector Ruled an Accident at Inquest

BY ROBERT JONES

Times Staff Writer

A coroner's jury ruled Thursday in San Bernardino that the shooting death of Russian defector Sergei Kourdakov was accidental, the result of his mishandling a borrowed .38-caliber pistol.

The final day of the inquest came after a one-week postponement ordered when an Indiana congressman telephoned the coroner's office Feb. 22 with "new information" concerning Kourdakov's death.

After the call from Rep. Earl F. Landgrebe, San Bernardino County Coroner William Hill said the information, if true, contradicted other testimony and ordered an investigation.

On Thursday, however, San Bernardino sheriff's detectives discounted the new evidence, saying Landgrebe's sources had "no information at all."

Body Found in Cabin

Controversy has surrounded the circumstances of Kourdakov's death since New Year's Day, when he was found dead of a head wound in a mountain cabin near San Bernardino.

Kourdakov apparently went to the resort area to spend the weekend with a friend, Ann Johnson, 17. Miss Johnson testified at the inquest that she was present in a motel room when Kourdakov raised the gun to his head and it went off. The gun had been borrowed from Miss Johnson's father, she said.

Sheriff's detectives listed the death as a probable accident, but a religious group that had sponsored Kourdakov on a lecture circuit raised the possibility that he was murdered by Russian agents.

Joe Bass, president of Underground Evangelism, said the young defector once told him, "If you ever hear I have had an accident or committed suicide, don't believe it. I know how the Soviet police work . . ." Bass' group also sent out mailings that mentioned "unanswered questions" in the shooting.

SPOOKS ON PARADE

by James Otis

The American press has been notoriously slow in following up leads on stories about the CIA. Until RAMPARTS' exposé of the CIA's involvement in the National Student Association prodded such papers as the *New York Times* into action, few if any U.S. papers would carry critical pieces on the Agency. Now it appears that the *Times* and other papers have slipped back into their former state of lethargy.

The November 12, 1972 issue of *Parade*, a Sunday magazine which appears in over 100 newspapers, carried a story entitled "CIA Recruiting" in its "Keeping Up ... With Youth" column. The story, complete with photographic evidence, described how the CIA uses a phony Army cover to recruit students into the Agency.

Parade discovered the story when two students from a west coast university contacted its office and told how they had answered an ad in the *Chicago Tribune* for Russian linguists.

The ad listed an attractive salary and gave a post office box in Washington, D.C. The students, who had majored in Russian, wrote in and received a letter from a Lt. Colonel Stratton, commander of the so-called U.S. Army Research Translation Group.

An interview was arranged with Col. Stratton and the students took and passed a Russian proficiency test. When the colonel learned that the students also spoke Spanish, he said that was good because they would probably be posted to Latin America.

Attending a university as cover, the students were to translate tapes of conversations bugged at the Russian embassy in the Latin American country in which they were supposedly attending.

The two prospective student spooks declined the employment opportunity, rightly suspecting that the job really involved working for the CIA. They turned over the record of their correspondence to *Parade* which contacted the government in an attempt to confirm the story.

In response to *Parade*'s inquiries, CIA director Richard Helms (who has since become Ambassador to Iran) called *Parade*'s editorial offices and suggested that it would not be in the

national interest for *Parade* to expose this CIA cover. Helms said how difficult it is for the Agency to find good young people these days, and asked the *Parade* editors to act "as patriots." One *Parade* editor, to his credit, replied, "Mr. Helms, we'll leave that sort of patriotism to Howard Hunt and Bernard Barker,"--two of the former CIA employees indicted in the Watergate case:

In advance of publication, *Parade* sent copies of the story to the wire services, the *Times*, the *Washington Post*, the *Los Angeles Times*, and other leading papers. None of these followed up the story or even reported on the *Parade* story. No TV or radio news station reported the story.

It is well known among reporters in Washington that the CIA bugs numerous foreign embassies both in the U.S. and in other countries. But that students are recruited, using a student cover, to help in this work, would seem newsworthy.

Congress has steadfastly refused to investigate CIA activities at home and abroad, which leaves only the press to protect the public interest. And if this latest incident is an example, they are doing the job with something less than vigilance. ■

Court to Study Suit On CIA Fund Secrecy

By John P. MacKenzie
Washington Post Staff Writer

The Supreme Court agreed yesterday to decide whether a taxpayer has the right to challenge in court the secrecy of the Central Intelligence Agency budget.

Government lawyers, insisting that the courts should not even consider lawsuits demanding CIA budget disclosure, persuaded the high court to review a decision that a Pennsylvania taxpayer was entitled at least to a day in court on the question.

The high court also:

- Rejected without comment the petitions of Texas and Georgia to reconsider the Jan. 22 ruling striking down anti-abortion laws and dismissed an appeal which contended that the Constitution guarantees the "right to life" of the unborn.
- Agreed to hear three labor

cases, including a coal company's argument that the United Mine Workers must submit to arbitration rather than strike over a mine safety issue.

- Agreed to decide whether federal courts have the power to intervene in matters covered by state criminal trespass laws when no state prosecution is pending.

- Agreed to decide whether the 1966 federal narcotic law giving treatment to some offenders is unconstitutional because it denies treatment to persons convicted of two prior felonies.

The CIA case involves a complaint often made by citizens and some members of Congress—that the public has no way to control the agency's receipt or use of public money.

William B. Richardson, a resident of Greensburg, Pa., decided to do something about

it. He sued in federal court to cases was in keeping with enforce Article 1, Section 9 of longstanding practice. Very rarely has the court reopened the Constitution, which provides:

"No money shall be drawn from the treasury but in consequence of appropriations made by law; and a regular statement and account of the receipts and expenditures of all public money shall be published from time to time."

The CIA Act of 1949 exempted the agency from ordinary budget requirements and has been the authority for concealing CIA funds in the appropriations for other departments. Richardson said the CIA law clashed with the Constitution.

Richardson, 53, a law school graduate, is employed as an investigator for the Westmoreland County (Pa.) public defender's office.

A district court judge agreed with the government that Richardson lacked legal standing to bring the suit because his grievance was not unique to him but was shared generally with other citizens.

The Third U.S. Circuit Court of Appeals reversed this ruling. Without reaching the basic question of disclosure, the court of appeals said Richardson had a right to take the government to court over it.

Petitioning the high court, Solicitor General Erwin N. Griswold called the ruling "a serious departure" from decisions designed to keep taxpayer litigation under control.

Griswold said the constitutional provision had always been considered a restriction against the Executive Branch, not Congress. He cited World War II expenditures for atomic bomb development and other congressional acts as examples of necessary secret statutes.

Lawyers for the American Civil Liberties Union replied that the meaning of the constitutional provision can never be settled in court if the government's theory of legal standing is correct.

The court's refusal to hear reargument in the abortion

Petitions by Texas and Georgia, however, merely repeated arguments considered and rejected by a 7 to 2 majority after full-scale hearings in 1971 and 1972.

More than a dozen pending cases were sent back to lower courts for action in light of the decision that states may not prohibit abortions during early pregnancy but may regulate and forbid them unless the mother's life or health is endangered.

Dismissed outright "for want of a substantial federal question" was an appeal by Fordham law professor Robert M. Byrn, arguing as guardian for New York unborn that A fetus has a "right to life." The majority held that such a right was not in the Constitution

HS/HC-950

Total CIA pullout from Laos expected; cease-fire cited

By Donald Kirk

Far East Correspondent

Chicago Tribune Press Service

LONG CHENG, Laos, Feb. 27—The American Central Intelligence Agency is withdrawing its entire force of advisers to "irregular forces" in Laos under terms of the Laotian cease-fire agreement.

The CIA conceivably could maintain a clandestine presence at this mountain base 80 miles north of Vientiane, but official sources indicated the United States plans to adhere strictly to the clause in the agreement calling for liquidation of "special forces organized, armed, instructed, and commanded by foreigners."

"I will pull out in accordance with the terms of the agreement," said the American "area representative" at the headquarters here of a small army of tough Meo tribesmen commanded by Gen. Vang Pao.

THE DECISION to withdraw the advisers means the end of one of the most controversial, little known phases of American involvement in Indochina.

CIA officials, many of them recruited from the U. S. Army's Special Forces, trained mountain tribesmen at dozens of bases throughout Laos. Often posing as refugee workers, CIA advisers were primarily responsible for turning tribesmen into the first line of defense against North Vietnamese troops advancing on several different fronts.

Lao and American sources are highly skeptical of the future of these troops after the departure of the United States, some of whom operate from a

compound overlooking the air strip at this critical base built especially for Gen. Vang's army.

AS A STOPGAP measure, the Lao irregular forces are merging with the Royal Laotian Army. Irregular forces total approximately 30,000 troops, a third of them commanded by Vang Pao.

"We decided to integrate them with the army four weeks ago," said Sisok Na Champassak, minister in charge of defense. "Our entire army, including former irregulars, will total 80,000 men."

Sources point out that Gen. Vang and Royal Army officers never have liked each other and questioned whether they could cooperate.

Vang Pao, a Meo tribesman who once served as a sergeant in the old French Indochinese

army, has operated independently of Vientiane control with constant infusions of American arms, equipment, air power, and advice.

HE IS NOTED for his disdainful attitude toward the elitist generals in Vientiane, who in turn look down on him socially because of his tribal origins.

American officials credit Vang Pao's forces with having maintained the security of Vientiane and other main towns on the Mekong River Valley by almost nonstop fighting with Communist troops.

Officials question, however, whether his troops can withstand the North Vietnamese without American airpower. The number of fulltime soldiers under Vang Pao's command has diminished in a decade of fighting from more than 30,000 to perhaps 5,000 today.

have trained and equipped irregular forces, almost always regarded as superior to regular units. Tribesmen fight in the mountains of Northwestern Laos bordering Burma and China and in Southern Laos west of the Ho Chi Minh trail region.

The CIA entered the war here as a paramilitary force in the late 1950's and began to assume a major role after the signing of the 1962 Geneva Accords on Laos. The CIA role was kept fairly secret until several years ago when the fighting grew too fierce to hide.

The CIA was primarily responsible for constructing this base in what once was an empty valley occasionally farmed by tribesmen. The existence of the base itself was

years after it was built.

26 FEB 1973

Court to Consider Lawsuit to Bare CIA's Spending

By FRED BARNES
Star-News Staff Writer

The Supreme Court today agreed to decide if a taxpayer may challenge the law which protects the secrecy of the Central Intelligence Agency's budget.

The justices, in a brief order, announced they will review a lower court decision which gave a Greensburg, Pa., man the right to sue in federal court to eliminate the CIA secrecy statute.

The 3rd U.S. Court of Appeals in Philadelphia, in a 4-3 ruling last July, ordered the convening of a special three-judge federal court to hear the suit by the man, William B. Richardson.

The government appealed the ruling to the highest court, saying that the decision "represents a serious departure" from the limitations on suits by taxpayers regarding government expenditures.

"The decision below, if allowed to stand, is almost certain to spawn a significant increase in suits by taxpayers challenging a wide variety of government programs and a significant number of congressional statutes," warned Solicitor General Erwin N. Griswold.

In a memorandum to the highest court, Griswold argued that a 1968 Supreme Court decision opening the way for some taxpayers' suits wasn't broad enough to allow a suit such as Richardson's.

But Richardson's attorneys disputed this, contending that his suit met the two-pronged test for taxpayers' suits laid down in the so-called "Flast case" in 1968.

"First," they said, "he is challenging the constitutionality of statutes which purport to alter the constitutional conditions governing the expenditure of public money. By definition this is a matter integrally related to the taxing and spending power."

Second, Richardson's suit is based on a claim that the CIA secrecy law violates a specific constitutional limitation one which unqualifiedly

requires that public money shall not be expended without a public accounting."

The law which puts a lid of secrecy on the agency's expenditures is the CIA Act of the agency from the provisions of law and regulations relating to the expenditures of government funds."

In other cases today:

Abortion

The court refused to reconsider its landmark ruling of Jan. 22 giving women the right to have abortions in their first three months of pregnancy, with only the permission of their doctors.

Several states had sought a new hearing on the abortion issue, but the justices—who had spent more than two years considering the issue—unanimously declined to hold a new hearing.

The court today also sent cases involving anti-abortion laws in 11 states back to lower federal courts for consideration in view of the Jan. 22 decision.

Labor

The court agreed to rule on the obligation of a firm to remedy an unfair labor practice committed by a company which it acquires.

The justices, in a brief order, said they will hear an appeal by a San Francisco beverage firm which was ordered to provide back pay to an employee unlawfully fired by the company it purchased.

The appeal will not be heard until next term.

Coal-Mining

The justices agreed to review a lower court ruling which gave coal miners the right to stage a work stoppage when they believe a mine is unsafe.

The case was brought by Gateway Coal Co., whose mine in Fredericktown, Pa., was struck by miners in April, 1971. The miners were protesting allegedly unsafe conditions.

The court struck down unanimously a Texas vagrancy law that covers everyone from "persons known as tramps, wandering or strolling about in idleness" to those who engage in "lewdness."

VAGRANCY

The court struck down unanimously a Texas vagrancy law that covers everyone from "persons known as tramps, wandering or strolling about in idleness" to those who engage in "lewdness."

The justices, in a brief order without comment, affirmed the ruling of a three-judge federal court saying that most sections of the law were unconstitutionally vague and overly broad.

Texas officials appealed that decision to the highest court. They contended that the ruling was "totally gratuitous" because federal courts had no right to rule on the law.

Washington Scene

Nixon's Reference to Downey— A Slip or a Message to China?

By ROBERT WATERS

Washington Correspondent

WASHINGTON — Is President Nixon's recent seemingly virtual admission that New Britain's John Downey was a Central Intelligence Agency (CIA) agent a slip of the tongue—or the next-to-the-last step needed to free Downey?

Newsmen who cover Nixon know that the President doesn't make too many verbal boo-boos. But he has made a few. His statements on the Manson and Calley cases, for example, constituted foot-in-the-mouth Presidential rhetoric at its peak, especially so considering the fact that Nixon is a lawyer.

In 1971, while the verdicts were still pending, Nixon made remarks that critics claimed prejudiced two trials. One trial involved hippie Charles Manson and the 1969 California slaying of actress Sharon Tate. The other was the court martial of U.S. Army Lt. William Calley, stemming from the 1968 My Lai massacre of civilians in South Vietnam.

In his press conference Jan. 31, in which the Downey case was brought up it is important to note two facts:

—The question on Downey came at the very end of the 35-minute press conference. It was the final question.

—Nixon never actually said "Downey is a CIA agent."

On the first point, the possibility exists that Nixon was in a hurry to end the press conference. It had begun at 11:25 that morning and it was not a scheduled affair. It was just about noon when Nixon was quizzed about U.S. prisoners in China.

A reporter asked:

"Mr. President, there are two American flyers still being held prisoner in China and they are sort of in limbo—well, three Americans but two flyers. I wonder if you could give us their status, and do you expect them to be returned with the other prisoners?"

Nixon replied:

"When we were in the People's Republic of China and we have

every reason to believe that these flyers will be released on the initiative of the People's Republic of China, as the POW situation is worked out in Vietnam.

"I won't go beyond that," added Nixon, "because this is a matter that should be left to the People's Republic of China, but we have, we believe, every assurance that it will happen."

When Nixon had finished, the reporter followed up:

"Downey, also?"

Answered Nixon:

Downey is a different case, as you know. Downey involves a CIA agent. His sentence of 30 years has been, I think commuted to five years, and we have also discussed that with Premier Cho-En-lai."

The President concluded:

"I would have to be quite candid. We have no assurance that any change of action, other than the commutation of the sentence, will take place, but we have, of course, informed the People's Republic through our private channels that we feel that would be a very salutary action on his, Chou's part."

"That is a matter where they must act on their own initiative, and it is not one where any public pressures or bellicose statements from here will be helpful in getting his release."

The key phrase in the Nixon statement was this one:

"Downey involves a CIA agent." Nixon didn't say "Downey was originally sentenced to the word "involves" could have meant that the Downey case, unlike the two U.S. military flyers held, involves charges that the New Britain man was a CIA agent. China has claimed this since 1972.

If the President had a noon-time appointment that day, as he frequently does, he might have been rushing to end the press conference.

ney's term of "30 years." Downey was originally sentenced to life imprisonment. It wasn't until little more than a year ago that Downey's life sentence was commuted to five more years.

Was Nixon in a hurry? Did he simply blurt out something he didn't mean to say? Or was he simply formalizing a fact that has been accepted here for several years?

If there are no dramatic developments in the Downey case soon, the statement was probably just a poor choice of words. But if something big happens in the near future, put your money on the possibility that it was a trial balloon sent up to test reaction in Peking.

Would Peking interpret it as a public admission or apology? Or would Chou want to hear the statement again — perhaps with a public "We're sorry" attached to it?

Taken on balance, a complete reading of the Nixon statement on Downey doesn't appear optimistic at all. He clearly expects the two military flyers will be released. But the Downey statement is full of words like "a different case" — "we have discussed that with Chou" — "Quite candid" — and "We have no assurance that any change . . . will take place."

Before going to China last year, the President said he wouldn't be a "prisoner of history." In his talks with Chou, there is a distinct possibility that Nixon has already acknowledged privately that Downey was, in fact, a spy. But, if he did, it didn't free Downey.

Perhaps, as with the North Koreans in the Pueblo case, China wants a public apology.

The Navy electronics ship USS Pueblo was seized in Korean waters by North Korea in 1968. The Communists later freed the crew after the U.S. made a public apology. The ship, however, was not released.

The Nixon statement, intend-

BEST COPY

Available

WASHINGTON POST
6 MAR 1973

CIA on the Trail of a Book About CIA

By Jack Anderson

The cloak-and-dagger boys, the galley boys, at the Central Intelligence had a messenger waiting for Agent. We are trying to get another one at the bookstore. We can advance copy of a book which provide the CIA, however, is highly critical of the CIA's with some of the highlights: "dirty tricks department."

The author, ex-Air Force Col. L. Fletcher Prouty, was the Pentagon support officer for the CIA over a nine-year period. He did everything from supplying them with James Bond weapons to shipping three dozen lobsters to a CIA bigwig. And he has written a book about it, "The Secret Team."

To get the unedited galley, the CIA library approached the distinguished Sidney Kramer bookstore only a few blocks from the White House. A representative of the bookstore immediately called Prouty and suggested he could "help the sale" of the book by providing a copy of the galley.

But Prouty had been in intelligence too long to be an easy touch. He agreed to meet with the Kramer representative and then secretly recorded their conversation. Here is a partial transcript:

"Do you represent others?" asked Prouty.

"I can tell you who wants this," confided the emissary. "They're on our backs—the CIA."

"They are?"

"Evidently someone was going to present them with a copy the day before yesterday," said the representative, and the Pentagon supinely let

but the deal fell through. Prouty refused to turn over

the galley to the CIA, which provide the CIA, however, with some of the highlights:

CIA Secrets

* The CIA, Prouty charges, trained agents in the Maine woods because of the similarity to the Russian fir forests. Then it flew them to Norway where they were hopped into Russia on a light pontooned plane which landed on a hidden lake.

* The CIA skillfully managed to keep out of the Pentagon Papers almost all mention of its assassination and other "dirty tricks" operations in South Vietnam, alleges Prouty. Instead, the CIA larded the Papers with examples of how good its intelligence proved to be.

* In 1959, one of CIA Chief Allen Dulles' spy planes allegedly was shot down over Russia. The crew was captured, questioned by Soviet intelligence and later quietly returned to the United States. They were debriefed after their return, by, among others, James McCord, a former CIA man convicted in the Watergate scandal.

* Even though the late President Kennedy ordered the Joint Chiefs to keep a tight rein on covert CIA military operations after the Bay of Pigs debacle, the CIA circumvented the order in Vietnam

them get away with it, says Prouty.

Footnote: In an earlier incident, the CIA went to court to block a book by one of its former employees, Victor Marchetti. But Prouty was never on the CIA payroll. When we asked the CIA whether an attempt would be made to suppress Prouty's book, a spokesman said: "There are no plans whatsoever to do anything about the book."

HS/HC-950

NEW TIMES (SOVIET)

FEB 1973

CIA Overdoes It

U.S. Congressman Edward Koch has charged the Central Intelligence Agency with interfering in U.S. internal affairs, following press reports that CIA agents are instructing the police in political espionage methods.

Under the National Security Act of 1947 the CIA is empowered to engage in intelligence and other subversive activities outside the bounds of the United States, but it is prohibited from going in for sleuthing and political espionage in the country. The heads of the CIA, however, taking advantage of the special place they occupy in the Administration, have long ignored the law. According to the U.S. press, it has agencies under various labels in twenty U.S. cities, including New York, Chicago, Los Angeles, Boston, Detroit, Philadelphia, San Francisco, New Orleans and Seattle.

GEORGETOWN, GUYANA MIRROR
14 Feb 1973

CIA subverting OWTU

THE Central Intelligence Agency (CIA) has been accused of subverting and undermining the Oilfield Workers Trade Union of Trinidad, with the hope of destroying its leadership. This charge was made by the President General Mr. George Weekes, at a meeting on Sunday last called to pledge solidarity with the union leadership.

During the last year the union has been faced with a constitutional issue resulting in a number of court actions. This was creating several problems for the union leadership.

to function properly, including the calling of new elections. can CIA was spending millions of dollars to subvert and un-

On Saturday last a group describing itself as the "Rebel cabinet" called the meeting to ship,

pledge solidarity with the union leadership. The rally which was attended by more than 300 persons gave Mr. Weekes and other leaders, the "green light" to organise a mass demonstration on March 17, in defence of the union.

Speaking of those persons who were causing difficulties for the union, Mr. Weekes after stating that he was happy to see that the rank and file members were prepared to come to the defence of the union declared: "We are not prepared to have traitors in the union."

He warned that if anything were to happen to the imperialists were organising in the OWTU there will be bloodshed in the country while the Ameri-

HS/HC-910

Data He Bought Not 'Classified' Congressman Says

A New Mexico congressman, quoted as saying he purchased "confidential" Defense Department data for \$2,000 from three mysterious men, has denied that the information was classified. He says the incident amounted to hiring researchers to compile already-public material.

Rep. Harold L. Runnels, D-N.M., told the Associated Press that, to the best of his knowledge, the three men who supplied him the information last year did not work for the Pentagon.

The Detroit News, in a copyrighted story yesterday that was carried in The Star-News, quoted the second-term congressman as saying he was "given the impression" that the three men were either civilian employees of the Defense Department or had worked there recently.

Informants Unidentified

The Detroit News said today that Runnels has refused to identify the three men to whom he said he paid \$1,000 in \$50 and \$10 bills in each of two transactions. The paper quoted Runnels as saying the trios indicated they could reach into highly placed areas of the Pentagon to provide him with sensitive information a defense contract costs.

Runnels was quoted yesterday in the Detroit News story by Seth Kantor as saying he had discussed the matter with a Justice Department representative and had been told not to discuss it further with reporters.

The Detroit paper, however, reported that a check with the Justice Department turned up no trace of any inquiry from Runnels.

Runnels complained to the AP's Gregg Herrington yesterday that the press accounts of the privately-financed study of proposed Army helicopter and tank programs have made it appear to be a "cloak and dagger operation.

Kantor yesterday quoted Runnels as using that phrase himself to describe the incident.

Just Wanted Data

Runnels, a member of the House Armed Services Committee, said that "as far as I know, they never did work for the Pentagon . . . I didn't ask them if they worked" for the Pentagon but "it didn't make any difference to me. I wanted someone with expertise to conduct a project from beginning to end."

He told the AP, "I think they were research analysts starting their own business. They were young men in their late 20s or early 30s . . . They did not sell me nor did I buy classified information."

Runnels said he purchased information on procurement of tanks and Cheyenne helicopters, indicating he wanted the information as part of his own investigation into cost overruns on Pentagon weapons contracts.

"It's fascinating to me that the private sector can come much closer to their original estimates than what we do in our Department of Defense," he said.

Reports of Runnels' transactions have drawn critical comment from some other congressmen.

And, in another copyrighted story today, the Detroit News indicated the possibility of an investigation by Armed Services Committee Chairman F. Edward Hebert, of Louisiana.

The Armed Services Committee is to hold its first meeting of 1973 tomorrow and Hebert is expected to discuss privately with fellow members what direction an investigation should take, The Detroit News said.

The Detroit paper said Runnels discussed the purchases with its reporter in a series of interviews since last summer,

and said Runnels described the series of meetings with the three men as "clandestine" and he said they supplied him with material marked "confidential."

The News said also that the FBI was expected to begin probing the matter and that the House Ethics Committee might also investigate.

The paper quoted Rep. Edward Hutchinson, R-Mich., today as saying he "can't understand why a member of Congress would feel he has to buy outside information," and characterized the transactions as "a foolish thing to do."

No Need for Deal

Rep. Melvin Price, D-Ill., a member of the Ethics Committee and second-ranking member of the Armed Services Committee, told the Detroit paper that "as a member of the Armed Services Committee for many years, I know for a fact that members can get any information they need, without paying for it, simply by ordering it through committee's staff." He would not comment directly on the Runnels' issue because he said he wasn't yet familiar with the specific facts.

"The action is not only disgraceful but illegal," commented Rep. Samuel S. Stratton, D-N.Y.

Runnels said that as a junior member of the powerful Armed Services Committee he felt he had little background for questioning military officials before the committee. He said he felt strongly that the Pentagon was overpaying for what it was getting and that the material he purchased bore out that impression.

C.I.A. Agent Wages Lonely Battle for Vietnam Data

By SEYMOUR M. HERSH
Special to The New York Times

WASHINGTON, Feb. 24 — Samuel A. Adams is a direct descendant of his colonial namesakes, a Harvard man and an official of the Central Intelligence Agency who was once in charge of estimating the strength of Vietcong units in South Vietnam.

For nearly six years, Mr. Adams has been waging a one-man campaign against top Army officers who he believes deliberately falsified critical intelligence information a month before the Vietcong began their devastating Tet offensive at the end of January, 1968.

In essence, Mr. Adams, who is about 38 years old, has worked for the C.I.A. for the last 10 years, wants the Army to begin a full investigation into the distortion of intelligence that he says was ordered by top officers working in the headquarters of the Military Assistance Command in Vietnam, or MAC V, then headed by Gen. William C. Westmoreland. General Westmoreland, who later became the Army Chief of Staff and a member of the Joint Chiefs of Staff, retired from the Army last summer.

The Army and the C.I.A. have refused to make such an investigation.

In 1967, the issue of enemy strength was a critical one. Mr. Adams and his colleagues at the C.I.A. were convinced that Army intelligence officials were deliberately underestimating the number of Vietcong guerrillas, apparently to bolster their contention that the Army's controversial search-and-destroy tactics were successful in reducing the number of Vietcong.

Mr. Adams's protests then, all made in a 35-page memorandum circulated among Government officials, got to the attention of the Presidential Foreign Intelligence Advisory Board, a high-level intelligence group, but no inquiry was held. The C.I.A. refused to permit Mr. Adams to forward his memorandum to the advisory board, which had requested the document.

Testimony Challenged

Now, Mr. Adams has again raised the issue—still within the Government—by contending that his allegations may have a bearing on the Government's prosecution of Daniel Ellsberg and Anthony J. Russo Jr. in the Pentagon papers case, now being tried in

Early this month, Mr. Adams offered a number of documents to the Justice Department that, he alleged, refuted a key prosecution witness's testimony in the trial to the effect that publication of a highly classified series of Joint Chiefs of Staff memorandums dealing with enemy strength could be helpful to the enemy. The Government contends that publication of such documents in the Pentagon papers in 1971 was dangerous to American forces in Vietnam.

Introduced as Evidence

In the documents, Mr. Adams wrote that his concern about the integrity of the raw intelligence cited in the Joint Chiefs of Staff papers "led me to question whether the release of these statistics helped enemy intelligence or harmed American forces in Vietnam," as alleged by a key defense witness, Lieut. Gen. William G. DePuy.

Most of Mr. Adams's documents were eventually introduced into evidence by the court, after a bitter complaint by attorneys for Dr. Ellsberg and Mr. Russo who alleged that the Federal prosecutor in the case attempted to disguise the significance of the Adams allegations by, among other things, not describing him as an official of the C.I.A.

The documents provide a rare glimpse into the give-and-take among the agencies involved in the production of a top-secret national intelligence estimate for the White House.

Mr. Adams specifically contended that the deliberate downgrading of Vietcong strength estimates began at a Saigon conference of C.I.A. and Mac V intelligence experts in September, 1967, and continued for months. "The possibility was raised," Mr. Adams says of his research, "that General Westmoreland may have originated the orders which led to the fabrications."

Speech Recalled

By that fall, General Westmoreland and other senior officials were repeatedly saying in public that the strength of the Vietcong was "declining at a steady rate." For example, in a speech in November, 1967, to the National Press Club here, General Westmoreland said that the enemy's "guerrilla force is declining at a steady rate. Morale problems are developing within his ranks."

The basic for these assox

tions, Mr. Adams wrote in the documents released by the court, was an order given to military intelligence officers shortly before the Saigon conference open in September, 1967. That order flatly forbade the military men to accept an enemy troop strength total higher than that provided in a paper that, according to Mr. Adams, was prepared by high-ranking Mac V officials. The paper was given to officers at the conference, he alleged.

The C. I. A. analyst said the military men had been ordered to arbitrarily lower the estimates on the various categories fixed by the Army—ranging from mainline Vietcong units to local irregulars—as the conference proceeded.

Army officials said last week that, "based on the information presently available," they do not "intend to investigate the Adams allegations." Some well-informed Army sources indicate that military investigators believe Mr. Adams's charges to be ridiculous.

Mr. Adams, who is said to be a fourth cousin, seven times removed, of John Adams, the second President of the United States, has refused to discuss the case with reporters.

His friends acknowledge that his one-man battle has done little to advance his career in the C.I.A.—he was recently transferred from a job dealing with current intelligence to a lower-status position concerned with long-range research projects—but professed admiration for his integrity.

"The trouble with Sam is that he has always been right," one former colleague remarked. "He always told the truth and never cared whose toes he stepped on."

Ellsberg's Attorneys To Get CIA Memo

LOS ANGELES (UPI) — U.S. District Judge Matt Byrne has rejected defense motions to remove the prosecutor and dismiss all charges in the Pentagon papers case, but ordered the prosecution to give the defense statements of a CIA agent bearing on the possible innocence of the defendants.

Prosecutor David Nissen told Byrne that on instructions of his superiors in the Justice Department he would respectfully refuse to turn over information from Samuel A. Adams, the CIA agent.

The judge warned Nissen that such refusal might lead to exclusion of a key exhibit from the government case backing up its charge that Daniel Ellsberg and Anthony J. Russo were guilty of espionage.

Such court action could have the effect of striking down a number of counts of the indictments against the defendants. Nissen asked for time to consult with Washington and was told to come up with a reply today.

Defense lawyer Leonard Boudin had asked that if the charges were not dismissed that Nissen be held in contempt of court and removed from further participation in the trial.

Byrne denied all the defense motions but he ordered Nissen to file an affidavit explaining seemingly misleading information given to the court about Adams.

Adams, who still works for the CIA, had given that agency a memorandum stating that he believed Pentagon papers trial testimony of Maj. Gen. William DePuy about

Communist troop strength in Vietnam was inaccurate and was based on information that had been fabricated. He felt that his disclosure constituted exculpatory material for the defense.

The Adams' memo was forwarded to the Justice Department and to Nissen in Los Angeles but was not turned over to the court. Nissen told the court he had received information from a Samuel A. Adams, but did not mention that he was a CIA employe.

Byrne specifically demanded that Nissen provide further sworn explanation of why Adams was told by a CIA attorney that the judge had met privately with Nissen and ruled that Adams' information wasn't needed at the trial. The judge said no such meeting ever occurred.

Earlier, Russo's former girl friend, an unindicted co-conspirator, testified reluctantly that she helped Russo and Ellsberg copy top-secret Pentagon documents in 1969.

— MARY McGRORY —

Bugging Prober Uniquely Qualified

By MARY McGRORY
Star-News Staff Writer

What is known about Samuel Dash, the newly designated counsel for the Watergate investigating committee, is that he is a professor—of criminal law at the Georgetown University Law Center—that he is a former prosecutor in Philadelphia, that he is an expert on wiretapping, and a civil libertarian with little political coloration.

Sen. Sam Ervin of North Carolina, chairman of the

Point of View

committee, says Dash is "tailor made" for the job, and that seems to be a consensus opinion.

Much depends on the counsel in Senate inquiries. The members who have various considerations and other things on their minds ask their questions in 10-minute rounds. They seldom shake a witness or drive a point home. It is up to the committee's lawyer, who can query at will, who has all the facts at hand and no obvious political ax to grind, who makes the record.

The Proper Bostonian

In the most celebrated Senate investigation of our time, the Army-McCarthy hearings, the Army's choice of Joseph N. Welsh, an unknown Boston lawyer, turned out to be inspired. Welsh presented to the television audience the spectacle of a civilized and concerned citizen, who brought puzzlement, indignation and, on one famous occasion, tears to the destructive enterprises of the senator from Wisconsin.

Dash is, according to associates in the bar and on the campus, not the "character" that Welsh was. But he is, they say, a lawyer who uniquely combines fervor, sophistication and a powerful ethical sense. He is, says one fan, "scholarly and aggressive."

He is, from the evidence of his book, "The Eavesdroppers" published in 1969, a diligent and meticulous investigator. In the search for facts about wiretapping practices, laws, devices and techniques, Dash toured 10 cities.

"In the course of my tour, I interviewed approximately 300 people," he wrote. "Among them were newspaper editors, private detectives, police chiefs, district attorneys, attorneys general, convicted racketeers (reformed and otherwise), wiretap specialists, wiretapping equipment manufacturers, lawyers, judges, crime commission directors, cab drivers, persons convicted

of wiretapping and many more—all experts in his own way."

Helped Each other

His may be the first genuinely inquiring mind to be applied to the Watergate affair. Investigations conducted by the White House and the Justice Department stopped short or fell short of the key questions. The recent trial of the actual burglars presented the curious spectacle of defense and prosecution in friendly competition to limit the scope of the inquiry.

The Republican senators on the committee, who approved Dash, countered by naming their own minority counsel, a Tennessee lawyer named Fred D. Thompson, who served the ranking member, Sen. Howard Baker of Tennessee, as campaign manager.

The coming hearings present a special challenge to the Republicans. A man can make a name for himself by a hard-driving search for the truth. Baker, who is said to have national ambitions, could surface as a public figure intent on cleaning up politics. But if he presses too hard, he might alienate the Republican establishment. Sen. Lowell Weicker of Connecticut, a freshman, who asked for the assignment, might be the free agent. The third, Sen. Edward Gurney of Florida, pointed out during the Senate debate on the Watergate that the public was not interested.

So far that has been the case. The facts, which tumbled out piecemeal during the campaign, were largely ignored. Both parties were dismayed to discover that the country seemed of the opinion that bugging and burglary of opposition headquarters were routine political practices.

New Witnesses

A lively and focused inquiry could change all that. A counsel who is free to ask where the money came from and who authorized its lavish expenditure for illegal purposes could get the public's attention. The witness will be called from the ranks of the Committee for the Re-election of the President and the higher echelons of the Republican party. The Watergate Seven, five of whom pleaded guilty and are appealing, will be less consequence.

If the officials claim executive privilege, Democrats say, it could be regarded as the equivalent of taking the 5th Amendment, because the implication would be that these exercises had been discussed at the White House.

The inquiry, in short, will shift from the break-in and wiretapping to the real question of money and honor in American politics. With Dash in charge, many people now think, the story of the Water-

A-2
xTHE EVENING STAR and DAILY NEWS
Washington, D. C., Monday, February 26, 1973

Court to Consider Lawsuit to Bare CIA's Spending

By FRED BARNES
Star-News Staff Writer

The Supreme Court today agreed to decide if a taxpayer may challenge the law which protects the secrecy of the Central Intelligence Agency's budget.

The justices, in a brief order, announced they will review a lower court decision which gave a Greensburg, Pa., man the right to sue in federal court to eliminate the CIA secrecy statute.

The 3rd U.S. Court of Appeals in Philadelphia, in a 4-3 ruling last July, ordered the convening of a special three-judge federal court to hear the suit by the man, William B. Richardson.

The government appealed the ruling to the highest court, saying that the decision "represents a serious departure" from the limitations on suits by taxpayers regarding government expenditures.

"The decision below, if allowed to stand, is almost certain to spawn a significant increase in suits by taxpayers challenging a wide variety of government programs and a significant number of congressional statutes," warned Solicitor General Erwin N. Griswold.

In a memorandum to the highest court, Griswold argued that a 1968 Supreme Court decision opening the way for some taxpayers' suits wasn't broad enough to allow a suit such as Richardson's.

But Richardson's attorneys disputed this, contending that his suit met the two-pronged test for taxpayers' suits laid down in the so-called "Flast case" in 1968.

"First," they said, "he is challenging the constitutionality of statutes which purport to alter the constitutional conditions governing the expenditure of public money. By definition this is a matter integrally related to the taxing and spending power."

Second, Richardson's suit is based on a claim that the CIA secrecy law offends "a specific constitutional limitation, one which unqualifiedly requires that public money shall not be expended without a public accounting."

The law which puts a lid of secrecy on the agency's expenditures is the CIA Act of 1949. It specifically exempts the agency from "the provisions of law and regulations relating to the expenditures of government funds."

In other cases today:

DRUG TREATMENT

The court agreed to review the constitutionality of a federal law which denies narcotics treatment to prisoners who have two or more prior felony

Rehabilitation Act of 1966, which provides treatment for federal prisoners who are drug addicts.

The law was challenged by Robert E. Marshall, a California man convicted of bank robbery in 1971. He unsuccessfully sought treatment as "a narcotic addict of longstanding duration."

Marshall contended that the two-felony rule denied him equal protection of the laws. "There is no rational justification," his lawyer said, "for a conclusive presumption that an addict with two or more felony convictions is not rehabilitative."

Though two other federal appeals courts have struck down the felony rule, the 9th U.S. Court of Appeals in San Francisco refused to do so, and Marshall appealed to the highest court.

ABORTION

The court refused to reconsider its landmark ruling of Jan. 22 giving women the right to have abortions in their first three months of pregnancy, with only the permission of their doctors.

Several states had sought a new hearing on the abortion issue, but the justices—who had spent more than two years considering the issue—unanimously declined to hold a new hearing.

LABOR

The court agreed to rule on the obligation of a firm to remedy an unfair labor practice committed by a company which it acquires.

The justices, in a brief order, said they will hear an appeal by a San Francisco beverage firm which was ordered to provide back pay to an employee unlawfully fired by the company it purchased.

The appeal will not be heard until next term.

COAL-MINING

The justices agreed to review a lower court ruling which gave coal miners the right to stage a work stoppage when they believe a mine is unsafe.

The case was brought by Gateway Coal Co., whose mine in Fredericktown, Pa., was struck by miners in April, 1971. The miners were protesting allegedly unsafe conditions.

VAGRANCY

The court struck down unanimously a Texas vagrancy law that covers everyone from "persons known as tramps, wandering or strolling about in idleness" to those who engage in "lewdness."

The justices, in a brief order without comment, affirmed the ruling of a three-judge federal court saying that most

PENTAGON AIDES ACCUSED

Bought Secrets, Congressman Says

By SETH KANTOR

Detroit News Washington Bureau
(Copyright 1973, The Detroit News)

Are there employees of the Pentagon who sell national defense secrets to outsiders?

There appear to be, according to a congressman who says he bought confidential military information in a pair of \$1,000 clandestine cash transactions last year.

Rep. Harold L. Runnels, D-N.M., a second-term congressman who is a member of the House Armed Services Committee, has told The Detroit News in a series of interviews that he bought classified documents from three men last summer. He met with them at least five times, Runnels said.

Runnels has not publicly identified the three men. Contacted Saturday in Clovis, N.M., Runnels said he discussed the matter with a representative of the Justice Department Thursday and had been instructed to say nothing further about it to reporters.

A Justice Department spokesman, however, told the News that he could find no trace of any inquiry from Runnels.

Armed Services Chairman F. Edward Hebert, D-La., reserved comment on the affair until he could learn more details. The committee is to have its first meeting of 1973 Tuesday and Hebert is expected to meet privately then with fellow members to discuss possible investigative steps.

Runnels said the Pentagon, mystery trio indicated to him that they could reach into highly placed areas of the Pentagon to provide him with sensitive information.

They made middle-of-the-night deliveries to Runnels in what the congressman describes as "a real cloak and dagger operation."

Runnels, as a member of the Armed Services Committee, said he used the information, paid for out of his own pocket, in the course of questioning Pentagon witnesses about defense operations at closed hearings.

Runnels explained that as a junior member of the 43-member committee he felt he had little ~~Approved For Release 2001/06/09 : CIA-RDP84A099R00100010004-0~~ for asking good questions

when general appeared before the committee. With the information he purchased, he said he felt he could impress his colleagues with his knowledgeable questions.

He said he also felt strongly that the Pentagon was overpaying for what it was getting, and his classified information was bearing out that impression.

Other members of the Armed Services Committee expressed shock when told a colleague had been buying Pentagon secrets. There were demands for a congressional investigation.

"The action is not only disgraceful, but illegal," said Rep. Samuel S. Stratton, D-N.Y.

Rep. Lucien N. Nedzi, D-Mich., said "this is unprecedented, so far as is known—a member of Congress purchasing information from the executive branch."

Sen. Harold E. Hughes, D-Iowa, a member of the Senate Armed Services Committee, said his immediate worry was that if operators with contacts inside the Pentagon are selling secrets to congressmen, they could be peddling the same material to agents of foreign countries.

Runnels, 48, is a wealthy southwesterner with land, cattle and oil business holdings. There are extensive military operations in his rural New Mexico district.

First elected to Congress in 1970, Runnels has become known on Capitol Hill for being very outgoing—"a real good old country boy who's quick to make friends," is the way one colleague describes him.

Runnels repeatedly has said he is disturbed by great waste in the Defense Department.

"How contracts are drawn and renegotiated is the root of all evil" in Pentagon business dealings, Runnels said.

A look at the transcript of censored hearings held behind closed doors in the Armed Services Committee a year ago shows that Runnels was concerned about the problems of cost overruns in the Air Force. He questioned a

Runnels recalls that he first heard from one of the Pentagon information peddlers last summer:

"They telephoned me at my office. They said they believed I was for good honest government. And would I be interested in meeting with them?"

The congressman gave them his personal phone number "so that no one could listen in on our conversations." He set up a meeting in his private office on the seventh floor of the Longworth House Office Building.

Insisted On Cash

"They first offered me — well, it was like a menu. It was a list of subjects and the price, they said, was \$1,000 for any subject I wanted information on," said Runnels.

"They insisted on cash payments. No checks. No records," said Runnels.

On that first visit, when the "menu" was presented, there were two men. These two came to see Runnels in subsequent meetings. The third man participated in only one of the sessions.

Runnels said he made two purchases from them. Each time he paid \$1,000, primarily in \$50 and \$10 bills, the Congressman said.

"The information they sold was accurate. It was right on the button," Runnels said. "It was marked 'confidential'."

"I was bothered because they had access to classified information and they were selling it."

Raised Their Prices

But Runnels said it wasn't until they jacked up the price on the material that he stopped buying. They raised the price to between \$3,000 and \$3,500 per set of secrets last fall. Runnels said they asked him to put them on a monthly retainer which would have amounted to at least \$36,000 a year. That's when he stopped dealing with them.

Runnels said he was "given the impression" that the two men he dealt with regularly were either general or liaison research and development costs.

The two operated out of "some kind of office of their own. They had a non-government phone where I could reach them. It was like a business phone."

As recently as three weeks ago Runnels tried to renew his contact with the two men but discovered their phone had been disconnected.

The mysterious third man was believed by Runnels to hold a Defense Department post.

Slipped Papers Under Door

Runnels said the three information-sellers emphasized in their hideaway meetings with him that he should never be seen talking to them in public.

They would slip the secrets under his private office door in the dead of night, said the congressman. "They even seemed to know the work routine of the cleaning people, so they could get the material onto my office floor after cleanup time," he said.

Committee colleagues of Runnels expressed surprise that any member of the Armed Services panel would think he had to lay out money to find out what's going on inside the defense establishment.

"I've had stuff brought to me from the Pentagon, secret as hell," said Rep. Otis G. Pike, D-N.Y. "I find there are quite a few people within the military sphere who come to me with information, classified or not, and turn it over."

Rep. Richard C. White, D-Tex., said his tips frequently come from people who work for defense contractors and are unhappy with performance or pricing.

Members Critical

"How do you sleep with yourself when you buy classified information?" asked Rep. John E. Hunt, R-N.J., a former sheriff and war hero.

"If I am ever approached, you'll have no trouble identifying the approacher," said Hunt. "He'll be decorating the nearest wall and missing his

teeth. I don't go for that kind of stuff."

Rep. William L. Dickinson, R-Ala., said he seeks information from official Pentagon sources by mail on a weekly basis in order to get information which is classified.

Senior Armed Services Committee members seemed particularly surprised to learn that secrets had been paid for, since all committee members are entitled to get background material from the Pentagon through Frank M. Slatinshek, chief counsel of the committee.

Complained to Laird

But Runnels said members cannot obtain confidential, secret or top-secret documents through committee channels unless they supply dates or other specific characteristics of the information they seek.

Runnels also appeared to be interested in obtaining inside information so that he could ask informed questions.

The Armed Services Committee has 43 members. When a witness appears before them, the most senior Democratic and Republican members ask the first questions.

Last year Runnels had virtually no seniority. And one time, when then-Defense Secretary Melvin R. Laird was testifying before the group, Runnels complained:

"Mr. Secretary, by the time you get to this end of the line all the questions have been answered."

THE EVENING STAR and DAILY NEWS
Washington, D. C., Saturday, February 24, 1973

A-3

4 CIA Officials To Retire Early

By SEYMOUR HERSH
New York Times News Service

Four top officials of the Central Intelligence Agency are planning to retire within weeks in what some high-level officials believe is the first round in a major revamping of the agency under James R. Schlesinger, its new director.

None of the men, all super-grade employees of the agency, have reached the CIA's mandatory retirement age of 60, but have been told — in effect — to retire, well-informed sources close to the agency said yesterday.

Those leaving are:

- Bronson Tweedy, a former deputy to outgoing CIA chief Richard M. Helms. Tweedy served as director of the CIA's National Intelligence Program Evaluation staff, a key intragovernmental intelligence review board. Tweedy also was formerly chief of station for the CIA in London.
- Thomas Parrott, a deputy to Tweedy who has worked in various positions on the CIA headquarters staff since the early 1960's.
- Thomas Karamessines, director of the agency's clandestine services, the so-called "dirty tricks" department, which is responsible for both espionage activities and covert intelligence operations.
- Laurence Houston, the general counsel of the CIA who has been involved in a number of highly publicized disputes in recent years, including the successful attempt to suppress — before publication — a book written by a former CIA official, Victor Marchetti.

Knowledgeable sources said that the four men were fired by Schlesinger, who replaced Helms less than three weeks ago with what was said to be a mandate from the White House to streamline the CIA. Helms has been named ambassador to Iran.

But one high-ranking agency official disputed the contention that the men had been ousted and claimed that the officials "were soon about to go" at

their own request. Another source said, however, that "the CIA never fired anybody before like this. It's extraordinarily brutal."

Schlesinger, a former chairman of the Atomic Energy Commission and former official of the bureau of the budget, has a reputation as an excellent administrator. He spent 18 months in 1970-71 working on a high-level White House analysis of the intelli-

gence community and its programs which was said to have been personally ordered by Nixon.

It could not be learned whom Schlesinger has named, if anyone at this point, to replace the ousted men. One old CIA hand who is believed to be staying on with added authority is John Maury, the legislative counsel of the agency who formerly worked as a chief of station in Athens, Greece.

HS/HC- 9/0

Fifteen Years Later:

Reflections on a Top Secret Report

"The public," wrote retired President Dwight D. Eisenhower in his 1965 book, "Waging Peace," "became bewildered and upset when word got out that a far from optimistic secret report had been made to me in the National Security Council." "A roughly accurate account" of that report, Ike added, "soon appeared in a local publication." The publication was The Washington Post; the date was Dec. 20, 1957, and I was the author. The document was known as the Gaither Report. Now, more than 15 years later the top secret report has been made public because the New York Times asked for it under terms of the Nixon administration's reclassification system put into effect in the wake of the Pentagon Papers case. Mr. Nixon's NSC refused the Times' request but the Interagency Classification Review Committee, headed by Ike's son John, overruled the NSC and declassified the report.

To read the 40-page document today, and to compare it with what I wrote and what Ike later wrote, is like dipping into an old shoe box that holds the family photos and clippings. It revives old memories and stirs one to reflect on history.

The Gaither Committee was created by Ike in early 1957 to look into civil defense, but the members decided to canvass the larger spectrum of Soviet-American military relationships. The group's name came from H. Rowan Gaither Jr., the first chairman who had to drop out because of illness. It was completed under Robert C. Sprague and William C. Foster as co-chairmen. Foster later headed the Arms Control and Disarmament Agency.

What differentiated the Gaither Report from other such inquiries was what occurred while it was being written: the first Soviet ICBM test and then, six weeks later, Sputnik. The report went to Ike a month after Sputnik when the United States was in a state of public alarm over its defenses. The Gaither panel, however, had been privy to the most top secret data in the government files, had viewed the secret U-2 photos of the Soviet Union, had before it a CIA estimate that the U.S.S.R. would orbit a satellite before the U.S. could and had estimates of the expected Russian ICBM lead from which came the "missile gap" that John F. Kennedy would use so effectively against Richard M. Nixon in the 1960 campaign.

What did the Gaither Report say? It accepted the conclusion that "U.S.S.R. intentions are expansionist," that Moscow was building military power "beyond any" defense, that the "evidence clearly indi-

cates an increasing threat which may become critical in 1959 or early 1960." In "case of a nuclear attack" there would be "little protection" afforded the population of the United States.

An appendix set up four time frames: from the moment of writing to 1959 or early 1960; from 1959-early 1960 to 1961-1962; 1961-1962 to 1970-1975, and, finally the period beginning in 1970-1975. In the gross the estimates were rather perceptive but on the critical matter of timing they gave the Soviets too much credit too soon. The panel guessed, in the initial time frame, that "the Soviets are probably taking a calculated risk during this period and are shifting a large part of their national effort from manned bombers to long-range ballistic missiles" with the effect that "a surprise attack could determine the outcome of a clash between these two major powers." We now know that the Kremlin did take such a gamble but not until about the time of Nikita Khrushchev's ouster in 1964. Thus the "very critical period for the U.S." the panel foresaw for 1959-early 1960 to 1961-1962 did not occur, if it ever occurred, until the years after the 1962 Cuban missile crisis. As to the final period in the study, starting in 1970-1975, the panel correctly assumed bigger and more accurate missiles on both sides that "might destroy approaching 100 per cent of the urban population . . ."

What did the Gaither Report recommend? It called for a massive increase in the then current \$38 billion defense budget of \$19 billion for "measures of highest value" over the next five years plus a second level of priority projects adding another \$25 billion in the same period. Two other contingent estimates brought the possible five-year total to over \$61 billion in added expenditures for defense, active and passive.

The report was full of alarm and worry, all based on what we now know were many bad estimates and extrapolations from the too meager intelligence available. The "next two years" were described as "critical" and it was added that "if we fail to act at once, the risk, in our opinion, will be unacceptable."

The U.S.S.R., it was estimated, "will probably achieve a significant ICBM delivery capability with megaton warheads by 1959." Curiously, when Eisenhower disclosed much of the report in his book he wrote that among its "sobering observations" was the statement that the Soviet Union "could, by late 1959, possibly launch an attack against the United States with 100" warheads. The figure 100 appears no-

where in the report now released although all five other points Ike recounted are in the report.

My own story on page one of The Washington Post caught the flavor of the report though, in retrospect, the words I used were even more frightening.

The dollar figures I reported were close to those in the report. Ike wrote that there was a big argument over releasing the report and that Vice President Nixon commented that "most of the recommendations are already in the papers anyway." Ike also wrote of "the set of tables estimating the relative strength" of the U.S. and U.S.S.R. over "the next several years" but there is no such table in the report as now released.

What effect did the report have? Ike considered the report too alarmist and said it "could not be accepted as a master blueprint for action." He was thinking of not just "a single problem" but of "the totality of the national and international situation," including "keeping plans and costs within bounds." His reaction was the right one. He did accelerate, as the report recommended, the Polaris submarine program and take steps to protect the SAC bombers. But he turned down the multi-billion dollar shelter program (Kennedy revived that, to his regret). Ike stepped up the ICBM program but he avoided the recommendation to create an ABM capability "at the earliest possible date." In short, Ike did not panic.

A remarkable point about the Gaither Report is the minimum attention paid to the political-diplomatic aspects of the problem. It never went beyond stating, in italics, that "this could be the best time to negotiate from strength, since the U.S. military position vis-a-vis Russia might never be as strong again." The panel, in an oblique reference to the then top secret U-2 flights over the Soviet Union, which had begun a year earlier, did "urge exploitation of all means presently at our disposal to obtain both strategic warning and hard intelligence, even if some risks have to be taken . . ."

Soon after the Gaither Report came the public Rockefeller Report on national security, put together by a panel with Henry Kissinger as the key staff man. This group did not have access to top secret data as did the Gaither group but it had some unofficial help from the latter. Its recommendations were similar and it called for adding

\$3 billion a year to the defense budget "for the next several years," not including the cost of civil defense. On the eve of the 1960 Republican convention Gov. Rockefeller won Vice President Nixon's approval to include in the GOP platform the burden of the Rockefeller Panel report, much to Eisenhower's anger and disgust. That only added to the "missile gap" rhetoric by the Democrats.

In retrospect, the Gaither Report demonstrates once more the dangers of drawing hard and fast conclusions about the Soviet Union from fragmentary intelligence. It led to an acceleration of the arms race, first moderately by Eisenhower and then massively by Kennedy, with only nominal attention to efforts to negotiate with Moscow on limitations. And it was all done as secretly as the government could manage. My own reporting on the Gaither Report added to the "missile gap" frame of mind. The only exculpation for that is that it reflected what the "best and the brightest" of those days thought were the facts of life.

Middle-Rank Diplomat Seen as Envoy to China

By OSWALD JOHNSTON
Star-News Staff Writer

The first permanent American diplomatic mission in China in more than 20 years is almost certain to be headed by a middle-ranking Foreign Service professional who will not carry ambassadorial rank, informed sources here indicate.

But only that formality will be lacking to prevent the forthcoming exchange of "liaison offices" with China from amounting in everything but name to formal diplomatic relations with a nation whose enmity less than 10 years ago seemed implacable.

The liaison offices announced yesterday in a joint Chinese-American communiqué and later described more fully by Henry A. Kissinger are to have full diplomatic privileges and immunities, including the right to communicate with their governments in code.

Acceleration of the Washington-Peking relationship to the brink of a formal exchange of ambassadors comes just one year after President Nixon's visit to China, and its suddenness came as a surprise even to optimists among Washington's China-watchers.

Significant Aspect

The most significant aspect of the new exchange is Peking's willingness, for the first time, to permit a permanent diplomatic mission from Peking in a capital in which the Nationalist Chinese regime still maintains an embassy. Reference to the continuation of American diplomatic relations with the Taiwan government and the continuing presence of American forces on the island were almost pointedly absent from yesterday's communiqué.

Other aspects of the new expansion of Chinese-American relations generally had been expected, especially after Kissinger's negotiating visit to Peking last weekend included a lengthy conversation with Chairman Mao Tse-tung.

The cultural and scientific

exchanges specified in yesterday's Chinese-American joint communiqué—elaborated on by Kissinger as including a China trip for the Philadelphia Orchestra and a visit here of an exhibition of archaeological treasures from Peking's Forbidden City — had been expected.

Trade Prospect

Likewise, the declaration of hope for expanded trade had been generally forecast by State Department China specialists—one of whom earlier this week forecast that American trade with China would soon be second only to Japan's.

Similarly predictable was Peking's willingness to release outright two U.S. airmen who became captives in China during the Vietnam war, and its willingness to reconsider the case of acknowledged CIA agent John T. Downey, a prisoner in Peking since 1952.

Beyond those points, however, the obstacle of the Nationalist regime on Taiwan seemed to loom insuperably.

Even the so-called Canadian formula worked out at the beginning of China's new diplomatic opening to the West nearly three years ago required Ottawa to designate Peking as the only government of China before full recognition could be achieved.

The unspoken corollary of this formula was that diplomatic relations between Ottawa and Taipei were broken even as the diplomatic links between Ottawa and Peking were being forged. The same formula, with the same consequences, occurred in each instance since 1970 in which a Western or Third World government opened formal relations with China.

Jackson Request

Earlier this month, on the eve of Kissinger's climactic Peking visit that wound up Monday, Sen. Henry M. Jackson, D-Wash., called for an American break of relations with Taiwan in anticipation of a formal diplomatic exchange with Peking.

The arrangement Kissinger brought home with him has clearly departed from that formula.

China's feud with the Soviet Union rates high among causes believed turning Peking toward the United States and contributing to the magnitude of the steps announced yesterday.

Kissinger's 45-minute account of his Asian travels yesterday at the White House was full of optimism and expressions of good feelings. He even went so far as to claim that the United States stands in the same relation to North Vietnam with respect to Indochina today as it stood with China with respect to Asia a year ago—that is, on the eve of Nixon's Peking visit.

Forces in Taiwan

On one point, however, Kissinger made it plain the United States had not yielded and probably would not yield.

"We, of course, continue to maintain diplomatic relations with Taiwan," Kissinger said. He added:

"The level of our troops on Taiwan is not the subject of negotiations, but will be governed by the general considerations of the Nixon Doctrine with respect to danger in the area."

To connoisseurs of such things, the phase "not the subject of negotiation" carried a whiff of the old Cold War attitude that branded Peking for more than 20 years an implacable enemy and, for a while in the 1950s, brought the United States and China to the brink of war.

As recently as 1971, Peking appeared to regard the U.S. garrison on Taiwan as a concrete threat to Chinese security, and it appeared that a sub-

stantial reduction of the American role in Asia would be a basic requirement before any Peking-Washington rapprochement could take place.

Since then, there has been ample reason to believe that Peking would accept a considerable U.S. presence in Asia in preference to an enlarged Soviet presence, and the widely acknowledged Chinese role in helping bring the Vietnam war to a negotiated settlement is a token of this.

Now that the war is over, as Kissinger observed yesterday, U.S.-Chinese relations can accelerate still faster toward "normalization." But, as Kissinger also reminded his listeners, the Nixon Doctrine in the aftermath of the war means a continuing U.S. role in Asia, and this, too, China now seems prepared to accept.

Fliers Held by China Were Seized in Korean War

The two fliers who are soon to be released from imprisonment in China were both captured when their planes were shot down after straying over the North Vietnamese border.

One of the men, Maj. Philip E. Smith of the Air Force, has been in Chinese custody since Sept. 21, 1965, when the F-104 Starfighter that he was flying was downed.

United States military headquarters in Saigon reported at the time of his disappearance that he radioed that his plane had developed mechanical difficulties and a fuel shortage while on a routine patrol over the Gulf of Tonkin.

A few days later, however, Hsinhua, the Chinese press agency, published a photograph of the flier, who was apparently unhurt, and reported that his plane had been shot down by Chinese jets.

The Hsinhua report said that Major Smith had intruded "deep" into Chinese airspace and had carried out "military provocations." It added that Captain Smith who is now 38 years old, was captured as he attempted to flee.

The second flier whose imminent release was reported yesterday was Lieut. Robert J. T. Downey, who has been held

Flynn of the Navy, who was shot down on Aug. 21, 1967.

According to the Pentagon, Lieutenant Flynn had been one of four crewmen on two planes that strayed into South China while maneuvering in clouds to escape North Vietnamese jets.

The planes, both A-6A Intruder bombers, had been participating in a raid on a railyard near Hanoi, about 75 miles from the Chinese border, the Pentagon added.

The Chinese reported that the pilot of the other plane had been killed. The fate of the two remaining crewmen has still not been reported.

Six days after the two planes were shot down, a captured American who was not identified but who is now believed to have been Lieutenant Flynn was reported by Hsinhua to have been paraded before 4,000 peasants and Red Guards at a rally in Nanning, in the Kwangsi Autonomous Region of South China.

During the period of the two fliers' captivity the Pentagon has never disclosed their home towns.

A third American whose incarceration in China was mentioned by Mr. Kissinger is John T. Downey, who has been held



United Press International
Maj. Philip E. Smith, left, and Lieut. Comdr. Robert J. Flynn, prisoners of the Chinese, are to be released.

captive since 1952, when his brother, 1971, after 19 years, much of which time he said had been spent in solitary confinement.

Mr. Downey, of New Britain, Conn., was arrested with disclosed that Mr. Downey had Richard Fecteau, who had also been an agent for the Central Intelligence Agency. He said were identified at the time by then that the United States had United States officials as civil- made known to the Chineseian employees of the Army. Mr. its hope that he would soon Fecteau was freed in Decem- be freed.

23 FEB 1973

Peking will free 2 American pilots

By Aldo Beckman

Chicago Tribune-Press Service

WASHINGTON, Feb. 22—The United States and China announced today they are establishing regular government missions in each other's capitals and beginning a broad program of scientific, cultural and other exchanges.

The missions, called liaison offices and thus falling short of formal diplomatic recognition, were announced in a joint communique released simultaneously in Washington and Peking.

Henry Kissinger, national security affairs adviser, said at the White House the liaison offices would have broad activities similar to those of embassies without being called embassies.

WHEN THE communique was made public, Kissinger, who returned earlier this week from his latest visit to Peking, said that the Chinese have agreed to release two American pilots imprisoned for years since their planes were shot down when they strayed over China while on missions against North Viet Nam.

Coming home within a few weeks will be Air Force Maj. Philip Smith, of Roodhouse, Ill., who has been held in China since Sept. 20, 1965, and Navy Lt. Comdr. Robert Flynn, who has been a captive since Aug. 21, 1967. Flynn is a native of Houston, Minn., and his wife, Kathy, now lives in Colorado Springs.

Kissinger said that Premier

Chou En-lai also sent word to President Nixon that the Chinese will review the prison sentence of the third American held in China—John Downey, identified as a Central Intelligence Agency agent who has been in prison since 1952.

THE CHINESE periodically review prison sentences, Chou told Kissinger, and decisions on commutation or reduction are made on the basis of the prisoner's behavior.

"Downey's behavior has been exemplary," Kissinger remarked, noting Chou promised that the American's sentence will be reviewed in the second half of this year.

The communique said that China and the U. S. have "agreed on a concrete program of expanding trade, as well as scientific, cultural, and other exchanges."

Kissinger said the Philadelphia Sympony Orchestra will visit China by this fall and that arrangements are being made for medical and scientific groups and elementary and high school teachers to visit China.

THERE ALSO WILL be increased visits to China by U. S. congressmen and senators. The Chinese have agreed to welcome amateur American basketball, swimming, and diving teams in the next year or so.

In return, the Chinese are planning to send an archeological exhibit from Peking's Forbidden City to the U. S. sometime next year. Chinese water conservation experts also are scheduled to visit the U. S., as well as a group of high-energy physicists and a gymnastic team.

Additional contacts will be developed after the liaison offices are opened — expected, according to Kissinger, in a matter of months. The head of each office, who will hold no formal diplomatic title, will be named within a month, the President's adviser said.

THERE WILL BE no restriction on the size of the offices, he added, but predicted they will be of "moderate size at the beginning."

The possibility of exchanging newsmen, and permitting establishment of news bureaus in the two countries, will be discussed after the liaison offices are opened, Kissinger said.

He said the question of \$250 million in blocked American claims in China and \$78 million

in blocked Chinese assets here will be discussed by Secretary of State William P. Rogers and Foreign Minister Chi Peng-pei next week. Rogers and Chi will be attending the international Viet Nam peace conference opening in Paris next Monday and will have private talks outside the conference sessions.

THE QUESTION of the blocked assets and claims is the biggest stumbling block to increased trade with China, Kissinger said. However, he indicated he did not anticipate difficulty in negotiating those differences.

The normalization of relations between Washington and Peking are not directed against any other nation, Kissinger emphasized.

He said the question of Taiwan was discussed during his Peking visit, noting that the question of Nationalist China is an issue about which Peking and Washington "do not have the same perspectives."

He did say, in reply to a question, that there will be no immediate reduction of American troops stationed in Taiwan. He said American troop strength in that area is not subject to negotiation.

A C.I.A. Analyst Disputes General in Ellsberg Trial

By MARTIN ARNOLD

Special to The New York Times

LOS ANGELES, Feb. 20—An affidavit by an analyst for the Central Intelligence Agency, disputing a general's testimony, has emerged in the Pentagon papers trial and led today to a defense demand that the chief prosecutor be removed from the case for misconduct.

Attorneys for Daniel Ellsberg and Anthony J. Russo Jr., the defendants, also asked that the prosecutor, David R. Nissen, be held in contempt on the ground that he had attempted "to silence a witness," the C.I.A. analyst, and that he "has once again sought to suppress" evidence.

On the same ground, the defense again filed a motion to dismiss the entire case.

The analyst is Samuel A. Adams. According to his affidavit, he read in The New York Times on Jan. 20, 1973, an article reporting the testimony of Lieut. Gen. William G. DePuy, a Government witness.

General DePuy told the jury that the disclosure of the Pentagon papers and also particularly the disclosure of a 1968 Joint Chiefs of Staff memorandum could have been helpful to Hanoi during the Vietnam war.

General DePuy helped write the Joint Chiefs of Staff memorandum, which is one of the 20 documents involved in this case, and in his testimony he cited statistics from it purporting to be the numbers of troops that the Communists committed to the Tet offensive in January, 1968.

These statistics were called "the Vietnamese Communist order of battle," and part of Mr. Adams's job at the intelligence agency from late 1965 to April, 1972, was to analyze and report on those statistics.

He now says that he subsequently came to the conclusion that "the statistics were derived from numbers which had been deliberately fabricated in late 1967." He says that he read in The Times that General DePuy

was giving the same statistics to the jury in this case.

On Jan. 24, his affidavit says, he sent a memorandum to Lawrence Houston, general counsel of the intelligence agency, and asked that the facts "be brought to the immediate attention of the Department of Justice because it seemed to me to bear on the Pentagon papers trial."

When he did not hear from Mr. Houston, Mr. Adams, who believed that the facts constituted exculpatory material, sent a second memorandum to Mr. Houston. This memo said that if Mr. Adams had not heard from Mr. Houston by noon on Feb. 1, 1973, the analyst would send his own material directly to the Justice Department, according to the affidavit.

Eculpatory material is material possessed by the prosecutor that would tend to prove the innocence of the defendant, and the prosecutor has an obligation under the Constitution to turn it over to the defendant.

On Feb. 1, the affidavit says, Mr. Adams was informed by Mr. Houston that the material had been sent to the Justice Department, and the following day he was asked to prepare a memorandum of record entitled "Possible Exculpatory Evidence."

He was assured that this would be sent to Mr. Nissen here to be turned over to Federal District Court Judge William Matthew Byrne Jr., who is presiding over the trial.

Mr. Adams said that he would abide by the judge's decision on whether it was exculpatory and would not communicate with the defense.

Ruling Reported

On Feb. 9, Mr. Adams says, he received a memorandum from John K. Grcancy, assistant general counsel to the C.I.A., informing him that the Justice Department had said that Mr. Nissen had discussed Mr. Adams's material with the judge and that the judge had ruled that it was not exculpatory.

The 1968 Joint Chiefs of Staff memorandum is involved in 10 of the 15 counts against the defendants, and in one of those counts it is the only document.

Today the judge said in court that he had never discussed Nissen and that it could in

fact be exculpatory. He ordered it turned over to the defense, but Mr. Nissen refused to comply.

In addition to asking the judge to take action against Mr. Nissen and to dismiss the case, the defense also asked, as a lesser remedy, that the Government be precluded from offering any evidence on the Joint Chiefs of Staff memorandum and that all of General DePuy's testimony and testimony pertaining to the memorandum by another Government witness, Brig. Gen. Paul F. Gorman, be stricken from the record.

The judge set tomorrow afternoon for an oral argument on the motions.

Meanwhile, a Government witness, Jan Butler, a Rand Corporation employee who used to be Rand's top secret control officer, testified today that until May 20, 1970, the copy of the Pentagon papers that Dr. Ellsberg is accused of copying was not in the regular Rand security system and that the particular set of the papers involved in this case was listed in Rand's computer as being classified material controlled by the corporation.

The defense contends that the particular 18 volumes of the 47-volume Pentagon papers that Mr. Ellsberg is accused of copying was not in the Rand security system and that Dr. Ellsberg had a special relationship to them. Miss Butler testified that when she first heard of these volumes they were in fact referred to as the Ellsberg papers.

She testified under cross-examination that she was not now and never had been a Government employee. This is important because the indictment accuses Dr. Ellsberg and Mr. Russo of, among other things, failing to deliver the documents "to the officer or employee of the United States entitled to receive them."

Dr. Ellsberg and Mr. Russo are accused of eight counts of espionage, six counts of theft and one count of conspiracy.

ACCESS TO PAPERS AT RAND OUTLINED

**Witness Says 5 Persons
Could Look at Files**

By MARTIN ARNOLD

Special to The New York Times

LOS ANGELES, Feb. 16—A former friend and colleague of Daniel Ellsberg at the Rand Corporation testified today that he knew of no "special arrangement" at Rand regarding the Pentagon papers.

The Government witness in the trial of Dr. Ellsberg and Anthony J. Russo Jr. was Richard H. Moorsteen, now a Rand consultant and also a foam rubber manufacturer in San Diego.

Mr. Moorsteen did say that only a "narrow" list of people had access to the papers at Rand—five persons in all—but that nonetheless as far as he was concerned the papers were always within the regular security machinery.

It is the contention of the defense that the copy of the Pentagon papers that Dr. Ellsberg in turn later copied and helped make public was in fact the private papers of three Defense Department officials who had sent them to Rand for storage, but who gave Dr. Ellsberg and Mr. Moorsteen primary access to them. They were not in the regular Rand security system, the defense says.

A Model Employee

Mr. Moorsteen, however, testified that this was not his understanding. He depicted himself as a rather model Rand employee, a bit roguish perhaps, who came to work late—"tenthish," he said laughingly—and who broke a few minor security regulations, all about as serious as a schoolboy caught smoking. Otherwise, he was very "meticulous" in handling classified documents.

He implied, without actually saying so, that his friend Dan Ellsberg was not quite such a good boy while at Rand.

Mr. Moorsteen is a tall, thin man in his late 40's with black hair. He has black-rimmed glasses, and he wore a tweed jacket, flannel slacks, a red tie and a red and white striped shirt.

The three Defense Department officials who sent a copy of the papers to Rand for storage were Paul C. Warnke, then Assistant Secretary of Defense for International Affairs, and two of his top assistants, Leslie Gelb and Morton H. Halperin, and it was they who gave Dr. Ellsberg special access to their copy.

Access Given in Letter

In a letter written on Oct. 6, 1969, to Henry S. Rowen, president of Rand, a letter now in evidence, Mr. Halperin and Mr. Gelb also granted access to their copy of the papers to Mr. Moorsteen.

But Mr. Moorsteen swore today that he never knew of the existence of that letter. He learned months later from Rand's top security control officer, Jan Butler, that he had access, he said, in a contradiction to the defense's contention.

He testified under cross-examination by Charles R. Nelson and Leonard I. Weinglass, defense attorneys, that on May 20, 1970, Dr. Ellsberg's last day at Rand, Dr. Ellsberg brought the papers into his office and asked him if he wanted them and that he had replied, "I said I'll check," and that he had immediately called Mr. Rowen. This call, he said, led to the papers' being injected into Rand's security system.

Dr. Ellsberg and Mr. Russo are accused of eight counts of espionage, six counts of theft and one count of conspiracy in the trial, which was recessed until Tuesday.

CZECHOSLOVAKIA

NEW CIA OBJECTIVES REQUIRE NEW CIA LEADERSHIP

Article by Jan Kovarik entitled: "Changes in CIA Leadership -- A Spy Is Returning to the Scene of the Crime"; Prague, Tribuna, Czech, No 6, 7 February 1973, pp 1, 16-7

Last November Richard Helms, director of the American Central Intelligence Agency (CIA), handed in his resignation. A few days after his re-election President Nixon accepted it and named James R. Schlesinger to be Helms' successor. Thus the seven-story concrete headquarters as well as the several thousand spies located throughout the entire world got a new chief:

What is CIA and what is its purpose? Its purpose is to implement objectives of American policy by the use of methods which cannot stand the light of day. When President Truman first established it in 1947, his concern was the greatly expanded American aggressive policy of "containing communism" and the waging of the cold war against the socialist countries, primarily the Soviet Union. Every year CIA has at its disposal several billion dollars and in fact it is a sort of state within a state. For neither Truman himself, nor yet his successors Eisenhower, Kennedy and Johnson had succeeded in putting the agency fully under their control. On 5 November 1971 Nixon made an attempt to do it when he gave the CIA chief control over the other United States intelligence components, wishing to thus gain his allegiance to himself, but to date this attempt has remained but an attempt. The various American organizations still continue to carry out independent operations in the field of intelligence and

espionage abroad. Thus the Nixon move has failed in its purpose.

According to American commentators, however, the real reasons for the reorganization lay elsewhere. They lay in the fact that the intelligence agencies were unable to keep Nixon informed of the developments in China at the time when he was beginning to think of his Peking visit, and that the 1970 attempt to free captured American flyers from the Son-Tay camp in North Vietnam was a total failure; they lay in the circumstance that the secret service had given a wrong evaluation of the possibilities for a Saigon and United States intervention in Laos in March 1971 -- the interventionists at that time suffered one defeat after another, inflicted upon them by the patriotic Laos forces.

Although CIA was established mainly for operations against the socialist countries, the results of their endeavor in that direction have remained indifferent, thanks to the vigilance of the security organs of these countries. That is why in the sixties the espionage operations came to be directed primarily at citizens of the socialist community arriving into or another one of the capitalist countries. Through talks with them the agency sought to gain information which was of interest to the CIA leadership. This policy is still being followed by the American intelligence. But despite the means and effort expended on this, the results are meager, despite the fact that the CIA uses readily all the various renegades and turncoats from the communist and workers' movement in its struggle against socialism.

The CIA is putting an ever greater emphasis on operations in the developing countries. This is done not only as an effort to discredit

the foreign policy of the socialist states but also in order to impede as much as possible the developing countries' struggle for independence. Moreover, the developing countries of Latin America, Asia and Africa are a source of raw materials while at the same time being a huge potential consumer market for the products of the American monopolies. Washington is also eager to get information about the internal political developments in the developing countries, especially information on how the various forces are distributed.

Understandably American agents, be they working as employees of embassies or as "business representatives" of companies, do not always have a total access ^{to} into the local community and can get easily compromised. That is why the CIA intends to set up abroad "private companies" (financed from the United States) whose members would be citizens of the country in which the organization is operating. According to the secret report of the American Council for Foreign Relations with Countries of Latin America, Asia and Africa, which are countries where Americans are being closely watched and where they will be watched ever more closely, "it is ever more desirable to make use of foreign nationals." The purpose is to establish a "community of interests" between the CIA and these foreign nationals. In other words -- to turn them into devoted supporters of the United States policy (naturally with the help of American dollars).

The new CIA leadership must harmonize with the new CIA objectives. Although Helms did take part in the CIA reorganization work during the period of 1969-1971 (President Johnson put him in charge of it in 1966), Schlesinger, his present replacement, was already at that time being groomed for it. Of no avail to Helms was his part in the founding of the CIA, and the fact that he

had gained the West German secret service, including its chief, Gehlen. Already in 1969 Nixon appointed his own man to be Helms' deputy -- Lt. General R. E. Cushman, who was supposed to keep watch on his chief and to give Nixon timely warning of any ^{intrigues} plotted against him. Cushman fulfilled his assignment and "revealed" Helms to be a critic of Nixon and a man who was assembling other Nixon opponents around his person.

Of no avail was even the friendship of Nixon's special advisor, Kissinger. In the middle of December 1972, the daily paper Washington Star-News, wrote that Kissinger was no longer interested in having Helms continue as chief of the CIA. Although Kissinger had stated many times that in his capacity as chairman of the intelligence committee under the National Security Council, he had got ^{on} along very well with Helms, he apparently decided very quickly that it would be better not to anger his master in the White House. The man who had always been there when the CIA "intervened" had to go. He leaves behind him the fiasco of the Bay of Pigs in Cuba, the bloody 1964 massacre in Panama, the intervention in the Dominican Republic, the defeat in Chile where the CIA had allied itself with the ITT monopoly in order to overthrow the government of President Allende, the plan for an assassination of Fidel Castro, the failures in India and Indochina, and other "exploits."

His place is being taken by the 43-year old Schlesinger, a Harvard University graduate, the "idea man" of the Rand corporation and the chairman of the American Atomic Energy Commission. Even before he entered Nixon's services in 1969, Schlesinger was interested in national security and took part in the preparation of a study concerning proliferation of atomic weapons. His views are expressed in his book, "Political Economy and National Security."

Despite his "soft approach" he is thought to be the man best fitted for the job of being chief of an organization which is expected to help the United States salvage all that is possible to be salvaged. Naturally it must be done inconspicuously and with the conviction that "the best weapon of the United States at the present time is foreign trade and economic pressure."

Six men have already held this job before him. They all have used the cloak and dagger method against progress. And this includes R. Helms who is now being sent by Nixon as ambassador to Tehran. This is ironical in view of the fact that it was just in Iran where Helms took part in 1953 in a plot to overthrow the progressive Mossadeq government. The spy is returning to the scene of the crime.

nnounced. The
tent did not in-
tions beyond
null and void"

an regime re-
eb. 17 and 28,
l after Presi-
eeting with
ommunist re-
nced that it
ecognize any
ause "the re-
ing the Chi-
is a rebel
ight whatso-
the Chinese

with this re-
Taiwan state-
shall "affect
and the na-
the govern-
lic of China
communism
the Chinese

on, the arch-
also highly
the rapidly
s between
Peking. Kis-
ay that the
ommuniqué
opportunity
ther coun-
not specify
was among

however,
meetings,
rare talk
Tse-tung
king lead-
tian reaf-
er would
be Pacific
pose "the
else to
and
en China
es would
ainst any



Associated Press

Air Force Maj. Philip E. Smith and Navy Lt. Cdr. Robert J. Flynn (left), both prisoners in China, are to be released as "a sign of good will." John

ton-Peking communique last night with extreme brevity, summing it up in three paragraphs.

Kissinger, in reporting on his Peking talks, said an accelerated level of exchange visits will include a visit to China this year by the Philadelphia Orchestra and medical, scientific and athletic groups; and increased visits by members of Congress.

China, he said, will send water conservation and other experts and scientists, a gymnastic team and an archeological exhibit in 1974. Broader journalistic exchanges are also expected, he said.

The financial claims to be negotiated on the edges of the

Paris conference on Vietnam, officials said, include \$196 million worth of private American claims of assets seized in China, and \$70 million to \$80 million worth of Chinese assets "blocked" in the United States. Kissinger said these negotiations are expected "to be concluded rapidly . . ."

When asked if there was discussion of mutual arrangements "to cut off the flow of arms into Indochina," Kissinger said the problem is not whether "formal arrangements can be made" but whether there is a will to allow the people of Indochina "a period of tranquility."

Kissinger responded in the same manner on American postwar aid for North Viet-

nam, now a highly disputed issue in Congress.

"The basic purpose of my visit to Hanoi," he said, "was not to work out an economic aid program." He said the proposed Joint Economic Commission for the United States and North Vietnam is intended to open the prospect for "normal, diplomatic" ties with the leaders of a nation who "have spent almost all of their lives either in prison or conducting guerrilla wars or conducting international wars."

Kissinger said "it is obvious that the fate of whatever recommendations we made depends on a decision of Congress," and he said he attempted to explain that to the leaders of North Vietnam.

THE WASHINGTON POST

Friday, Feb. 23, 1973

A 15

Butchers Sue Over Wage Lid

Associated Press

The AFL-CIO Amalgamated Meat Cutters and Butcher Workmen filed suit yesterday in U.S. District Court to declare illegal and enjoin Phase III mandatory wage controls in the food industry.

The suit by the 550,000-member union was directed against Chairman George P. Shultz and Director John T. Dunlop of the Cost of Living Council.

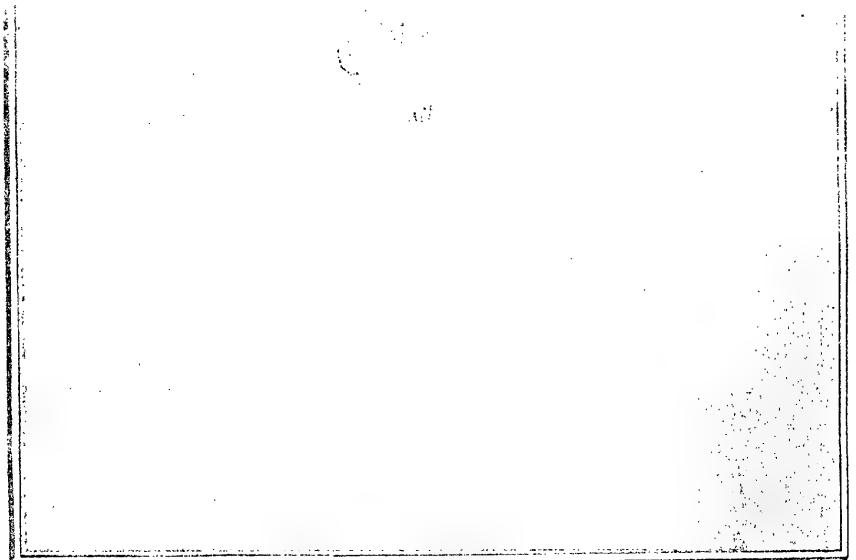
The union complained that it was "arbitrary, capricious and invidiously discriminatory" to single out food industry employees while mandatory controls were removed from employees in most other industries and while the price of raw farm products remains unregulated.

The union said it represents more than 90,000 employees in the food industry who are affected by the mandatory wage controls. It said the Cost of Living Council "has made it more difficult for those employees to increase their wages and improve their working conditions compared with employees in most other industries."

The union said increased prices for raw farm products, which have never been subject to price controls, have been the major factor in food prices and the increased cost of living since Aug. 15, 1971.

THE NEW YORK TIMES, FRIDAY, FEBRUARY 16, 1973

Institutional Dirty Tricks



By Jeremy J. Stone

WASHINGTON — Most people believe that the function of the Central Intelligence Agency is to collect intelligence. In fact, however, as many as one-third of its 18,000 employes are occupied with political operations. The Bay of Pigs, the Iranian and Guatemalan coups, the effort to overthrow the Albanian Government in 1949, the secret war in Laos and other lesser known operations have been run by the C.I.A.'s Directorate of Plans.

It is hard to argue that the overthrow of a foreign government is "related to intelligence" or an activity done for the "benefit of the existing intelligence agencies." The courts may some day just throw out C.I.A.'s Directorate of Plans.

There are evidently a series of secret directives approved by the National Security Council in 1948 and thereafter authorizing such special operations of all kinds provided they were secret and small enough to be plausibly denied by the Government. But even this authority is periodically exceeded because many of the operations are too big to hide, much less to deny when they fail.

C.I.A.'s operations are certainly having an unfortunate effect on American political life. The Watergate trial is an example of the problems that result when C.I.A. graduates enter political life with skills and hardened attitudes to which American society is unaccustomed.

other examples. Not long ago, the C.I.A. brought suit against Victor Marchetti, a former employe, to prevent him from disclosing—evidently in a work of fiction—facts about C.I.A. clandestine operations. The court order demanded that he submit his work to C.I.A. for clearance. This is prior restraint of publication, a most dangerous precedent against freedom of the press.

Even as an instrument of national policy narrowly conceived, C.I.A.'s Directorate of Plans may be a net liability. C.I.A. advocates press upon Presidents plans which they feel obliged to approve. The Bay of Pigs was an example. Agents engaged in these operations in the field are notoriously hard to control and, inevitably, they give off political signals which may or may not be authorized—one rarely knows.

One of the most famous of the C.I.A. political operations resulted in the infiltration of the National Student Association and about 250 other American domestic groups. The C.I.A. official who sold the whole program to Allen Dulles, and set it in motion, was Thomas W. Braden. On Jan. 6, in a syndicated column he now writes, Mr. Braden called for a C.I.A. housecleaning and noted: "The times have changed and, in some ways, they now more nearly approximate the time when the C.I.A. was born. The need then was for intelligence only." He felt the purchasing of loyalty had lasted longer than the necessity for it. This view, when expressed by Mr. Braden, makes one

national consensus in support of this ongoing bureaucracy—the Directorate of Plans.

Much about the C.I.A. has had a distorting effect upon American democracy. Congressional oversight has been close to nonexistent: even the membership is secret of one such Congressional committee. The unprecedented, and quite unnecessary, secrecy about the C.I.A.'s over-all budget has led to burying the agency's budget in the accounts of other budgets; this violates Article I, Section 9, Clause 7 of the Constitution, under which "a regular statement and account" of Government expenditures is to be published from time to time.

But most important, the C.I.A.'s Directorate of Plans is designed to do things which the American democratic system might well not approve, things which it cannot discuss, things which the Government is afraid or ashamed to have known. Such things should only be done as a last resort, as an alternative to overt military action in a situation that presents a direct threat to U.S. security. We ought not institutionalize "dirty tricks."

The C.I.A. has a new director in James Schlesinger, and the time to re-examine these issues is clearly upon us. Shall we have an agency designed to interfere in the internal affairs of other countries for another quarter-century? Or shall we return to a foreign policy which the public and the Congress can debate, monitor and control?

Jeremy J. Stone is director of the American Scientists.

for East Marshall
a recon- Sullivan
dissinger Alfred
in Com- Depart-
on his
y to tell
ization
rm per-
tate, De-
es have
the indi-
rtment
in the
in the
as made
his first
resident
26, one
in four
created
es and a

IRS
a might
nal Chi-
ical suc-
es. Right
ly well-
ery close
and Chi-
on par-
ples. It
shington
ognition
ole's Re-
by the
p is not
es allow
stand in
ips with
ly when
tan dur-
in stand
se China,

Approved For Release 2001/06/09 : CIA-RDP84-00499R001000110004-0

14 FEB 1973

Henry's China Mission May Spell Freedom for Three

By STAN CARTER

Washington, Feb. 13 — It's a good bet that Henry Kissinger, when he returns next week from his travels to Hanoi and Peking, will bring home with him two American fliers who have been held prisoner in the People's Republic of China since early in the Vietnam war.

There is also a fairly good possibility that he will bring home the last American prisoner from the Korean war, a CIA agent who has been imprisoned in Red China for more than 20 years.

President Nixon's national security adviser arrived in Hong Kong today from Hanoi, after delaying his departure from the North Vietnamese capital for three hours. The major announced purpose of his four-day visit to North Vietnam was to discuss postwar relations between Washington and Hanoi. But the trip also apparently produced a speed-up in Hanoi's timetable for releasing American PWs.

Fifth Trip to Peking

A Pentagon spokesman, announcing that Hanoi had advised it would release 20 more PWs this week, said that "apparently it is in connection with Dr. Kissinger's visit."

After a brief rest in the British crown colony, the presidential adviser will fly to Peking Thursday for four days with Premier Chou En-lai. It will be his fifth visit to the Chinese Communist capital in 20 months—and again, the announced purpose is to discuss possibilities for further improvement in Washington-Peking relations.

But the news learned that another reason for the Peking trip was to seek



UPI Telephoto

Henry Kissinger with U.S. Consul General David Osborn in Hong Kong.

the earliest possible release of the three Americans imprisoned in China — Air Force Maj. Philip E. Smith of Victorville, Calif., Navy Lt. Cmdr. Robert Flynn of Oak Harbor, Wash., and John Thomas Downey, the CIA agent, of New Britain, Conn.

Smith and Flynn were both pilots in the Vietnam war whose planes strayed over Chinese territory. Smith was shot down in the Tonkin Gulf near the Chinese island of Hainan on Sept. 20, 1965. Flynn was flying along the North Vietnamese-China frontier when his plane went down on Aug. 21, 1967.

Downey is an entirely different case. He and another American, Richard G. Fecteau, were aboard a plane that was shot down in northeastern China on Nov. 29, 1952, during the Korean war.

The cover story put out at the time was that they were civilian employees of the Army who just happened to be passengers on a plane that strayed off course on a flight from Korea to Japan. But they were put on trial before the Supreme People's Court in Peking two years later on charges that they had been dropping Nationalist spies into China.

John Foster Dulles, secretary of state at the time, called the charges trumped up. But the court convicted them of espionage, sentencing Fecteau to 20 years and Downey to life imprisonment. Four Chinese in the episode were executed.

Early Release Expected

Fecteau was released, and Downey's sentence was reduced to five years apparently as a good will gesture before Nixon's visit to the People's Republic a year ago. Now the hope is that Downey will be released in another gesture of friendship, but the Chinese have not given any assurance of this.

Chou did promise Nixon last February

would be released — in the President's words—"on the initiative of the People's Republic of China as the PW situation is worked out in Vietnam."

Now that the first batch of American prisoners has been released by North Vietnam, the belief here is that Smith and Flynn will be released quickly. Officials think it is a better-than-ever bet that the two fliers will simply be handed over to Kissinger and fly home with him. But if not, they are expected to be turned over to United States consular officials at the Hong Kong border.

Nixon laid the groundwork for an appeal for the release of Downey at the same time by admitting publicly at a press conference Jan. 31—for the first time—that the American civilian was, in fact, a CIA agent.

"Downey is a different case, as you know," the President said. "Downey involves a CIA agent. His sentence has been, I think, commuted to five years, and we have also discussed that with Premier Chou En-lai. I would have to be quite candid. We have no assurance that



any change of action, other than the commutation of the sentence, will take place, but we have, of course, informed the People's Republic through our private channels that we feel that would be a very salutary action on his part."

5 Years Really 20

When they announced that Downey's sentence had been reduced, the Chinese did not specify when the five-year term had begun. Inasmuch as he has already been imprisoned for more than 20 years, they could announce while Kissinger is in Peking that he has completed the sentence.

"That is a matter where they must act on their own initiative, and it is not one where any public pressures or bellicose statements from here will be helpful in getting his release," Nixon told the Dec. 31 press conference.

But Nixon made it easier for the Chinese to release Downey without losing face with the tacit admission—after 20 years of denial—that the charges against him were true.

Nixon links Downey—prisoner in China—to CIA for first time

By Richard M. Weintraub
Globe Staff

An American official has admitted for the first time that the Central Intelligence Agency (CIA) was involved when Richard Fecteau of Lynn and John Downey of New Britain, Conn., were captured by the Chinese in November 1952.

At his news conference yesterday, President Nixon said, "Downey involves a CIA agent." He thus broke with the official US line of the past 20 years that Fecteau and Downey simply were civilian Defense Department employees who had "hitch-hiked" between Tokyo and Seoul on a plane which was apparently shot down over Manchuria.

Fecteau, 46, who was sentenced to 20 years in prison by the Chinese, was released in December 1971 before President Nixon's trip to Peking.

Downey, 43, who initially received a life sentence, had his term commuted to five years when Fecteau's release was announced.

Yesterday at his news conference President Nixon was asked about the status of American prisoners held by the Chinese.

Mr. Nixon said the matter was discussed when he was in Peking last February, and "we have every reason to believe" that two US pilots shot down near Hainan island early in the Vietnam war "will be released on the initiative of the People's Republic of China as the prisoner of

war situation is worked out in Vietnam."

Their names were given as Air Force Maj. Philip E. Smith, missing since September 1965, and Navy Lt. Commander Robert J. Flynn, missing since August 1967, officials said.

"I won't go beyond that because this is a matter that should be left to the People's Republic of China, but we have, we believe, every assurance that it will happen," Mr. Nixon added.

Asked whether this included Downey, he said:

"Downey is a different case, as you know. Downey involves a CIA agent. His sentence of 30 years (sic) has been, I believe, commuted to five years; and we have also discussed that with Premier Chou En-lai. I would have to be quite candid. We have no assurance that any change of action other than the commutation of the sentence will take place, but we have, of course, informed the People's Republic of China through our private channels that we feel that would be a very salutary action on his part.

"That is a matter where they must act on their own initiative, and it is not one where any public pressures or bellicose statements from here will be helpful in getting his release."

Whether Mr. Nixon consciously intended to identify Downey as a CIA agent



JOHN T. DOWNEY
Chinese prisoner

Cohen is an expert on Chinese law and has travelled to China at least twice in the past year.

Cohen had stated his belief in 1971 that Downey was a CIA agent both in public hearings before the Senate Foreign Relations Committee and again in newspapers articles, adding that an admission of the CIA-link would facilitate the release of the men.

When the plane was downed Nov. 29, 1952, the State Department claimed it was on a flight from Tokyo to Seoul. When the court convictions were made public in 1954, the United States called the convictions "a most flagrant violation of justice" based on "trumped-up charges." This has been the official US line ever since despite sharp questioning on the issue periodically.

The classifiers of classified documents are breaking their own classification rules

By Theodore Draper

The problem of classified documents, which has so bedeviled the Government, scholars and journalists—not to mention Daniel Ellsberg, Anthony Russo and Prof. Samuel L. Popkin—is usually discussed in a political vacuum. The three main questions hotly debated in scholarly circles are: Who should classify? What should be classified? How long should it remain classified? Whatever the right theoretical answers may be, however, they can have little to do with the real world of classified documents.

In practice, the rules are largely irrelevant or illusory because there is a privileged group that does not abide by them. This group has existed for a long time; its members have systematically violated their own code with impunity and often for profit. They have created, controlled and benefited from a system which is shot through with duplicity, hypocrisy and favoritism. These are strong words, I know, but I use them advisedly.

Who are the guilty ones? None other than the custodians of the classified documents. My own experience has convinced me that they, more than anyone else, constitute the main problem. The case which happened to concern me is worth relating for two reasons: It is absolutely classic in its revelation of how the real system often works; it can be fully documented from beginning to end.

The story may be told as it actually happened. About two years ago, I was asked by the Political Science Quarterly to review a new book, "Intervention and Negotiation: The United States and the Dominican Revolution," by Prof. Jerome Slater. When I read the book, I was astonished to find that about half of it was largely devoted to a running polemic against my own work in which I had been highly critical of United States policy during the Dominican revolt of 1965.

I was also astounded to learn from Professor Slater's preface that he had been given access "to a great number of papers, memoirs and documents which are not now in the public domain"—in other words, classified documents. In return for this favor, Professor Slater had promised to use the material on a "not-for-attribution" or "no-direct-citation" basis. He was not required to submit his manuscript for clearance or approval.

I did not think that it was proper for me—now, so to speak, an involuntary "interested party"—to review the book. Instead, I offered to write a reply, not a review, discussing the issues raised by the book. Professor Slater tried to prevent the publication of the article without success. It appeared

in the Political Science Quarterly of March, 1971.

The more I thought about it, the stranger the whole thing became. Here was a book, written by an academician, put out by a reputable publisher, attacking a book of mine on the basis of material which I could not consult or check. There was no way to know whether he had used the material fairly. Even if he had invented it, no one could be the wiser, though that was not a possibility I seriously entertained.

My own book, "The Dominican Revolt: A Case Study in American Policy," which had appeared in 1968 but was based on articles mainly published in Commentary magazine in 1965-66, made use wholly of open sources, all of them given to the reader so that he or she could make up his or her own mind about the reasons for my reconstruction of the events and my views about them. To be attacked by someone who knew where everything I wrote came from but did not reveal where much of what he wrote came from did not seem altogether sporting.

But Professor Slater was not the first or the last to benefit from this extraordinary favoritism on this very subject. In 1966, the Center for Strategic Studies at Georgetown University had brought out a book, "Dominican Action—1965," which had also advertised that it was based on "restricted" sources. This book was backed by a committee of three well-known former United States diplomats and two Georgetown University professors.

And while I was reading Professor Slater's book, I already knew that a third study of the very same subject, based on the same classified material used by Professor Slater, was on the way. This one, "The Dominican Intervention," by Abraham F. Lowenthal, has since been published by the Harvard University Press.

Still a fourth book which dealt in part with the same events on the basis of much classified material belongs in a somewhat different category because it was written by one of the actors in the story. It was "Overtaken By Events," by John Bartlow Martin, President Kennedy's Ambassador to the Dominican Republic and President Johnson's hapless special emissary at the time of the revolt. Two or three other books might be added to the list. They were done by journalists who somehow or other managed to make use of some classified material. And, it should be remembered, we are now dealing with a single episode in American foreign policy in the last decade.

All this seemed almost too much of a good thing. Or was it a good thing? Here were at least three books with some scholarly pretensions, one of them in good part directed against me, based on classified documents, obviously made available to the authors by high officials of the State Department. Yet I could not see the same material to defend myself or merely to check the books for accuracy.

Theodore Draper, a historian now residing in Princeton, has written "Abuse of Power," "Castroism: Theory and Practice," and other works.

Or could I? After finishing Professor Slater's book, I decided to make myself a test case. I made up my mind to give the system a chance, to abide by all the rules, to do everything openly and legitimately. After all, I did not have to prove that at least two books (Lowenthal's had not yet appeared) had used classified material; they had boasted of it. All I wanted was the same privilege.

So I wrote to Dr. William M. Franklin, Director of the Historical Office of the Department of State, the following letter:

"I have just finished reading a recently published book by Jerome Slater entitled 'Intervention and Negotiation: The United States and the Dominican Revolution,' published by Harper & Row.

"Professor Slater takes issue with me—I had put out a little book, 'The Dominican Revolt,' in 1968—partly on the basis of documents not now in the public domain, as he explains [in] his preface. These documents were evidently made available to him by the Department of State....

"Professor Slater's book seems to be the second one which was able to make use of 'restricted' primary sources, obviously originating in the Department of State. The first one to my knowledge was 'Dominican Action—1965,' issued by the Center for Strategic Studies, Georgetown University, in 1966.

"I, therefore, ask for the same privilege to consult and use these documents or materials bearing on U.S. policy vis-à-vis the Dominican Republic in 1965. I will come to Washington at your earliest convenience."

Dr. Franklin took only a week to reply. He assured me that the Historical Office had not made any records pertaining to the Dominican crisis available to Professor Slater or to the Center for Strategic Studies of Georgetown University. He promised to investigate and to write me again as soon as he knew the facts.

I promptly wrote him a second letter which went over the ground again in more detail and which read in part:

"If they [the authors of the two books] did not get them [classified cables] from your office where did they get them? I applied to your office because I considered that the department has given your office the responsibility for its records. But if they can be obtained elsewhere, what is one in my position to do? Complain to the Secretary of State?"

The right place to complain apparently was the Assistant Secretary of State, not the Secretary. Dr. Franklin replied 10 days later to the effect that since the Historical Office had had no contact with either Slater or the Georgetown group, he

was referring my letter to the Assistant Secretary of State for Inter-American Affairs, Charles A. Meyer. So I started all over again with Mr. Meyer. Another letter from me ended as follows:

"This Approved For Release 2001/06/09 : CIA-RDP84-00499R001000110004-0
goes to the heart of scholarly work in contemporary history.

Criticism has been made by eminent scholars of the existing regulations. But it is a scandal when the existing regulations are not equally and fairly enforced in the short period of five years.

"I respectfully request, therefore, a review of the applicability of the existing regulations in my case. It is, admittedly, a special case—but it is special only in the sense that it is a documented case of how inequitably and unfairly the present system works."

Mr. Meyer mulled over the problem for a month. Then I received this letter from him:

"I have given your letter of Dec. 27, 1970, considerable thought, and I appreciate the reasons for your strong feelings on the matter of equal access by scholars to government documents.

"I do not feel, however, that my personal sympathy for your position can override my responsibility for adhering to the regulations regarding access to classified material. ...I think strict and uniform compliance with these regulations is the only proper course. I recognize that in the particular circumstances of your case, this may seem to be turning a deaf ear to an otherwise reasonable request.

"I sincerely regret that the regulations do not allow me to be more forthcoming to your request, but I hope you will understand my unwillingness to assume responsibility for remediying the actions of predecessors when, as appears to be the case here, the cure would require a fresh departure from the regulations."

I thanked Mr. Meyer for his courtesy and candor. I took his letter to be a dead end. But one thing had been gained. As I read Mr. Meyer's letter, it came as close as could be expected in the circumstances to confirming that his "predecessors" had violated their own regulations regarding access to classified material. It should be remembered that those "predecessors" had acted less than three years earlier. I did not

Government in general and his department in particular were totally bereft of continuity and had no obligation to take so many precedents set so recently by previous officials into consideration. But there did not seem to be anything else I could do.

Later I learned how Professor Slater had obtained access to the classified material. At least part of the story came out in a recent study called "Classified Files: The Yellowing Pages," made by Carol M. Barker and Matthew H. Fox for The Twentieth Century Fund. Slater told them that in the spring of 1967 he had asked a State Department official with whom he was personally acquainted for an opportunity to see the State Department records of the Dominican crisis. After some time had passed, Slater was informed that he could see the classified files, at that time only two years old. He had bypassed the Historical Office. Neither his notes nor his manuscript was reviewed for breaches of security. He was told by the State Department that there were only two restrictions on his use of the material—he could not quote directly from it or acknowledge his use of it. So much for the ardent zeal with which "security" is protected. Presumably much the same procedure was followed in the case of Dr. Lowenthal.

Slater claimed that he was not told why he was given privileged access to the classified files. But he surmised, not without reason, that those in the senior levels of the department "genuinely believed that their policies and actions had been misunderstood and misrepresented, and fervently felt that if the whole truth were known, and honestly reported and evaluated, the public assessment of their policies would be very different." In plain English, the senior levels of the department wanted Slater to go after me and thought that they could give him the ammunition to fire away by making the classified documents available to him.

Approved For Release 2001/06/09 : CIA-RDP84-00499R001000110004-0
I don't think that Slater made a particularly good job

continued

of it, though that is for others who read his book and my reply to decide. In any case, the senior levels of the department must have been sorely disappointed by his book. Despite his efforts to undermine what I had written, he came out in the end almost as critical of United States policy as I had been and for much the same reasons. To Slater's credit, it must be said that he took the material and ran. He must have made his friend or friends in the State Department happy only in the first half of his book, not in his concluding chapter. Lowenthal's book was probably equally disappointing.

From a scholarly point of view, these two books show how dangerous this under-the-table practice can be. Both sometimes refer to the same document without giving exactly the same version of what is in it. Yet no one else can check on them to find out just what the document did say.

I can well understand why these young scholars agreed to use classified material under conditions that I consider to be unscholarly and onerous. They were as much victims as beneficiaries of the present system. The scholarly competition is extremely keen, and anyone can justify playing this kind of questionable game on the ground that everyone else plays it—or would if he could.

The Twentieth Century Fund study came to this conclusion: "The Dominican case is significant for its illustration of Government practices. State Department officials ignored the department's own rules for access to its own records; they clearly played favorites; and they violated the regulations for use of security-classified records."

It was not always so. When William L. Langer and A. Everett Gleason wrote their studies of pre-World War II foreign policy in the early nineteen-fifties, "The Challenge to Isolation" and "The Undeclared War," basing them on classified documents, they were able, according to Professor Langer's letter to The New York Times, to get all

such documents used by them automatically declassified. Interestingly, the only trouble encountered by them came from the Latin-American Desk.

If the previous practice were followed, much of the trouble would be avoided. For there are two main problems with the present system: (1) it withholds too much, for too long, and (2) it is not fair and equitable. The second problem is more easily solved than the first. But as long as the second problem persists, the first is often rendered nugatory. The material in the documents gets out but in the worst, most tendentious way imaginable. Not only do supposed servants of the people decide the people's fate but they reserve the right to decide when and how and what the people are going to learn about their fate. That is what more than 90 per cent of the classified documents are all about. We could live with the other 10 per cent if something could be done about the 90 per cent.

The real culprits are the high officials who use classified documents as political weapons. This practice is not restricted to the State Department. One of the most crucial and damaging (to President Johnson's Dominican mythology) documents of the Dominican crisis was shown to a well-known Washington correspondent by a high C.I.A. official who presumably was not enchanted by the official policy. A portion of this document was quoted by the correspondent in a contemporary newspaper article and later in a book. Of course, the correspondent would have been out of his mind not to have taken advantage of this beneficence.

Another case in point was "The China White Paper" put out by the State Department in 1949. Its purpose was manifestly political—to counteract the attacks made on the Truman Administration's China policy. Towards this end, former Secretary of State Dean Acheson declassified and not a shred left of them. 642 pages of documents, most of them in the "Top Secret" category. But at least the advantage of the rule that the documents themselves were classified can also declassify. And from a scholarly point of view, they who has classified hundreds,

were pure gain, even if they left something to be desired in the way of completeness.

In the case of the Dominican documents, the practice vitiated whatever scholarly use they might have had. Not only were the documents themselves not made available, but the authors were not permitted to quote from them or to identify what they were using. It is of the essence of scholarly work that other scholars should be able to check on the material or to arrive at their own interpretations from the given body of evidence. A half-world of quasi-scholarship has been created in which the canons of traditional scholarship are perverted and, in the end, no one can be quite sure what was in the documents anyway.

Congressional committees are not without fault. The Senate's high-minded Committee on Foreign Relations held closed hearings on the Dominican crisis and classified the testimony. But one member of the committee invited two of the best-known Washington correspondents to look at the testimony sub rosa, locked in a room with pencils and pads, and permitted to take notes (for only one hour!). Their articles on the closed hearings appeared the next day on the front pages of their newspapers. When I asked for the same privilege, it was sanctimoniously denied.

THE more powerful the official, the less the classification system restrains him. The Presidents of the United States are in this respect the worst offenders. They seem to consider the entire system a convenience to give them a monopoly of state secrets until they are ready to get out their memoirs—for which publishers bid in the six- and seven-figure range. If everyone followed the example set by Presidents, the classified files would be raided en masse. But Assistant Secretaries

if not thousands, of personal documents during his stay in office may, and has, declassified as many of them as he thinks necessary for that book he has in mind just as he is about to leave office. And if he is too squeamish to quote verbatim, he can always paraphrase.

The New York Times recently requested the declassification of materials relating to a number of foreign-policy questions. One of them, according to The Times's account of Nov. 22, 1972, pertained to "comments of the Joint Chiefs of Staff on the Bay of Pigs invasion." Among the requests that have not been granted was this one. If The Times's researchers will look at pages 187-190 of Gen. Maxwell D. Taylor's recent memoirs, "Swords and Plowshares," they will find just what they are looking for.

How did General Taylor happen to know so much? He was chairman of the committee appointed by President Kennedy to investigate the Bay of Pigs fiasco. His book contains an entire chapter which patently paraphrases his committee's report. If the report can come out in this form, why should it be withheld from The Times? Was the report declassified for General Taylor and no one else? Or didn't he bother to get its declassification?

THE highest public officials in the

land have set the example and established the tradition of using classified documents for political purposes. It is only when the example and the traditions are used against them that they call for the police, the handcuffs and the courts to uphold the sanctity of the law and the inviolability of Government regulations. It is precisely this double game that degrades the law and makes a mockery of "security." If a plaintiff is supposed to come into court with clean hands, the Government's hands could not be dirtier.

continued

The double game is rampant in Washington. For this reason there are actually two systems of classified documents. One is abstract and theoretical. The other is real and political. The arguments over first principles and fine points invariably concern the former. "Do you really mean that nothing should be classified?" "For God's sake, where are you going to stop?" The answers to such questions are not so difficult if the real, the political system is kept in mind.

(1) Nothing should remain classified if the classifiers themselves do not abide by the system of classification.

Whenever a classified document is made public by those in a privileged position, that document should be automatically declassified. As long as the highest officials in the land habitually use classified documents as political weapons, they cannot in good conscience deny the same use to their critics without debasing and perverting the rule of law. Every victim of the present system of classification testifies to the politicalization of the entire process and to its degeneration into a system of special privilege and bureaucratic decadence. The system needs cleaning up; it does not need more victims.

(2) Where should classification stop? It should stop at the borders of personal interest and partisan politics. The system of classified documents has become a scandal because it has been made to serve one-sided personal and political ends. If the system were purged of personal self-interest and political manipulation, many if not most of the present discontents would be greatly mitigated. There would still be problems, to be sure, but they could be held within manageable limits and at least we would be spared the present flagrant inequities and hypocrisies.

The case of the classified documents in the United States is remarkably similar to that of the woman charged with violating the antiabortion law in France. According to the *New York Times* of Nov. 24, 1972, her action was defended in

court by a French doctor, who was the dean of a Parisian teaching hospital, a practicing Catholic and an opponent of abortion on principle. But he believed that it was sometimes the best solution, and he testified that he himself occasionally performed abortions when the circumstances warranted them. The French Minister of Health summoned him imperiously for an official rebuke. The doctor protested that well-to-do women obtained abortions without risk, only the poor suffered from the law. Whereupon the Minister admonished the doctor that this was "not a reason why the vices of the rich should be made equally possible for the poor."

In American terms, this is the kind of double-bookkeeping which, as in the case of the classified documents, protects the vices of the higher officialdom and persecutes those who are guilty of nothing else but following their example. ■

M & S - CIRC. N-A

FEB 9 1973

RICHARD WEINTRAUB

Nixon candor over CIA spy helps China rapport

It almost went unnoticed in last week's presidential news conference, but in the space of a few seconds, Richard M. Nixon made a gesture that could be of great importance to the future of this nation's relations with the Peoples Republic of China.

The last question from the reporters dealt with the matter of three Americans being held prisoner by the Chinese. Two were captured early in the Vietnam conflict when their planes were shot down near China's Hainan Island. The third, John T. Downey of New Britain, Conn., was captured during the Korean War in 1952.

The President said he had taken up the issue of the captured pilots with the Chinese when he was in Peking last year. He expressed confidence that once prisoner problems with the North Vietnamese were settled, release of the two pilots would be forthcoming.

Downey, however, was a different problem, Mr. Nixon said.

"Downey involves a CIA agent. His sentence of 30 years has been, I believe, commuted to five years; and we also have discussed that with Premier Chou En-lai. I would have to be quite candid. We have no assurance that any change of action other than the commutation of the sentence will take place..."

Few governments admit to the covert activities of their "spooks," and the United States certainly is no exception when it comes to the CIA. When such an admission is made, then, it is worthwhile to take a closer look.

In the Downey case, the US consistently has kept to the line that he was a civilian employee of the Defense Dept. and, in holding him after other military prisoners were released after the cessation of hostilities in Korea, the Chinese were called the worst kinds of international outlaws.

The Chinese all along contended Downey was a CIA agent. In recent years, some Americans close to the situation also have urged public admission of the link, in hopes of bettering Downey's chance for freedom. One of these Americans was Prof. Jerome Cohen of Harvard Law School, a Yale class-

mate of Downey's who recalls the meeting in 1950 when Downey was recruited into the then brand-new CIA.

Now, 20 years after Downey was captured by the Chinese, Mr. Nixon has admitted the tie to the CIA, an act which reflects as much upon a new mood in domestic politics as upon a changed international political configurations.

Mr. Nixon's initial shift in China policy and his trip to Peking obviously didn't hurt him politically among the rabidly anti-Chinese lobby on the right wing.

He apparently feels he can tread upon another sacred cow of the Cold War in order to set the stage for furthering US-Chinese relations on two fronts.

First, as Prof. Cohen suggests, the admission may aid in gaining Downey's release. If he is released along with the other two fliers, it would mean there were no more known American prisoners held by the Chinese and Mr. Nixon could proceed in his contacts with Peking without being hounded by those who would claim he is negotiating with a country holding Americans prisoner.

Second, as the Harvard Law professor also has

suggested, the President has wiped clean the slate between the two countries. The charges of international banditry leveled against the Chinese in earlier years can be matched against an admission by an American President that this country engaged in CIA activities against China. This point will not be lost on the Chinese.

Auspiciously, just a few days after Mr. Nixon's press conference, the White House announced Henry Kissinger would be visiting Peking after his talks in Hanoi later this month.

*Richard Weintraub is a
Globe staff reporter.*

E - 634,371

S - 701,743

FEB 11 1973

History of a Small War

Laos Also Victimized By North Vietnamese

By WILLIAM L. RYAN

Associated Press

Fighting goes on in confused and tormented little Laos, most of whose people never had a ghost of a chance of understanding why.

Laotians are not alone in their mystification. The tale of what happened in Laos over 25 years is as involved and complex as the nation and people are simple and uncomplicated.

This series of questions and answers attempts to trace how it all came about.

Q. First of all, what sort of country is Laos?

A. It's called "land of a million elephants," and it always seemed stretching a point to call it a nation. But the land-locked kingdom often has been a cockpit of struggle between unwelcome outsiders.

Few could have liked this less than the far-from-warlike Laotians. They occupy a world of spirits, demons, dragons and omens and would be content to subsist on an economy based largely upon growing and smuggling opium.

France had ruled Vietnam, Laos and Cambodia since the 1880s. The current trouble began after the World War II occupation by Japan was ended and France tried to reestablish authority over Indochina.

How It Started

Q. Everybody talks about the "Vietnam War." How did Laos get involved?

A. The Vietminh forces of Communist Ho Chi Minh mounted his uprising in South Vietnam, but Laos was an objective as well; having been part of French Indochina. After the 1954 Geneva conference, Laos became independent within the French Union under the constitutional rule of its king.

Approved For Release 2001/06/09 : CIA-RDP84-00499R00100010004-0

Q. Didn't the Geneva accord require all foreign forces to leave Laos?

A. Yes, but North Vietnam

ignored that. Its troops entrenched themselves in the Northeast, supporting the nucleus of a rebel movement called the Neo Lao Hak Xat (NLHX) or Lao Patriotic Front under Prince Souphanouvong, son of a member of the royal Laos court. The armed force of this organization was called Pathet Lao, meaning Land of Laos.

Big Crunch

Q. What resulted from that?

A. It dragged Laos into the cold war vortex. After a long and confusing period of governmental instability, the big crunch came late in 1960, at about the same time the Viet Cong across the border were stepping up their guerilla war against the South Vietnamese government.

Prince Souvanna Phouma, elder half-brother of Souphanouvong, had experienced ups and downs as prime minister. By December, 1960, the cold war and local pressures were so great that he fled his country. A rightist regime emerged under Prince Boua Oum. Its most influential member was its strong man, Defense Minister Phoumi Nosavan, a favorite of the American CIA, Central Intelligence Agency. Phoumi bathed happily in a flood of dollars.

Phoumi Ousted

Q. Did the U.S. money and support succeed?

A. Quite the contrary. The money jolted and distorted the simple economy, and resentment brought rebellion. Toward the end of 1960 a five-foot bantam paratroop captain named Kong Le, with a single battalion and without firing a

shot, took over Vientiane and ousted Phoumi. The Americans seemed appalled, reading this as a threat of a Communist takeover to come.

But Kong Le called Souvanna back and the king soon was able to retake the capital, Kong Le fled north with his men.

U.S. Arms Asked

Q. How did that quicken the cold war?

A. Souvanna appealed for American arms aid, but the sort of help that had gone to the Americans' favored strong man was now withheld from the moderate Souvanna.

The Russians reached for an opportunity, at the same time hedging all their bets. They began flooding arms into Laos, not only to Souvanna, but to Kong Le's forces and to the Pathet Lao as well. The country, with fewer people than Chicago, became host to high-powered embassies from Russia, China and the United States. China was in the act in the northeast with aid for the Pathet Lao and laborers to build military roads.

At that point, North Vietnam stepped up military pressure while Kong Le penetrated the strategic Plain of Jars. His base there soon would be reinforced by North Vietnamese regulars. By 1961, it looked like chaos and a

threat of engulfment by one or another form of insurgency. So, naturally, there was a major world crisis over Laos.

New Parley

Q. How was the crisis dealt with?

A. President Nixon, with the

agreement from Russia, as cochairman with Britain of the 1954 Geneva conference, to call another such meeting. Fourteen nations convened in May 1961. It was July, 1962, before an accord on Laos was signed.

The signatories, including the big powers and the North Vietnamese, agreed to guarantee the prince to form a cabinet that might avert civil war. Gen. Phoumi soon was able to retake the capital, military forces were to withdraw totally. A three-sided government of neutral, conservative and Communist elements was to be formed under Prince Souvanna.

Didn't Work

Q. How did that work out?

A. Not at all. The Americans pulled out their less than 700 military advisers, but North Vietnam ignored the agreement, never having openly admitted the presence of its troops anyway. Then matters became incredibly confused.

Rightist Gen. Phoumi became deputy premier in the three-sided coalition. Kong Le, whose activities had helped the North Vietnamese, now became a prop for Souvanna's neutral forces. So, when Kong Le's men were attacked, Phoumi went to the aid of his former foe.

A discouraged Souvanna tried to resign in 1964, and Phoumi's forces arrested him. But foreign embassies intervened and he remained to reorganize the government. Souvanna then asked "military-logistical aid" from the Americans.

Compounding all the confusion, the Americans' favorite, Gen. Phoumi, turned on Souvanna in 1965, sent his forces against Vientiane, but bungled this coup attempt. He slipped across the border into exile in Thailand.

continued

Sensing a ripe moment, the North Vietnamese stepped up their pressure again. All this time, the Pathet Lao did little of the fighting. Militarily, the Pathet Lao, like their brethren in the government forces, were considered among the world's most inept and reluctant warriors.

CIA Involved

Q. Where did all the confusion leave the Americans?

A. The advisers were back. The CIA was training troops for Vientiane. American trainer planes were engaged in support of troops. American bombers battered constantly at the Ho Chi Minh Trail through Laos, the North's supply route to South Vietnam. Authority for all this was based upon Souvanna's request for aid. Matters rocked along pretty much the same way into late 1972.

Q. Since the Laos situation

developed because of Vietnam, isn't it logical now to expect a cease-fire in Laos?

A. Yes, but don't look for logic in Laos. After all, the North Vietnamese, who have some 67,000 troops in the country, are still saying they aren't there, thus they can hardly announce a withdrawal.

Last year, 72-year-old Souvanna wrote his half-brother Souphanouvong, now 63, a stinging letter, noting that "denying the presence of North Vietnamese troops in Laos is not useful policy, since the Laos question actually is caused by the invasion of Laos territory by North Vietnamese troops."

War Continues

Q. Did the recent Paris accords on Vietnam say something on Laos?

A. Yes. The agreement committed the signatories to respect strictly the 1954 and 1962 Geneva accords. But, while North Vietnam continues offensive action, the United States continues to use its air power.

Q. What's the current situation?

A. The so-called National Coalition Government, nonexistent since 1963, still exists in theory. The Laotian sides have been meeting in Vientiane since October, but apparently the Pathet Lao now say a cease-fire cannot happen without a political agreement first. That sort of demand snagged the Vietnam talks for years.

Old Theory

Q. Is Laos important to U.S. security?

A. Years ago, in the Eisenhower Administration, that was the assumption. Today, in view of a new relationship with China, it appears to be a good deal less vital.

Q. What, then are the prospects?

A. The North Vietnamese

seem bent on some land-grabbing in Laos in anticipation of a cease-fire, as in

South Vietnam. Given a fair measure of peace in Vietnam, it would seem inevitable that there would be a cease-fire in Laos before long and reversion to the Geneva accords as the rule of conduct.

However, if past performance is a guide, any long-term hope that Laos will be left to

its own devices to build its own future would seem optimistic.

Why the CIA Often Succeeds

by Hermyle Golthier, Jr.

Recently, in dosages ranging from the MIT-“Club of Rome” Limits of Growth, through the publications of John D. Rockefeller III’s burgeoning Zero-Growth movement, and Herman Kahn’s latest best-seller, intellectual and semi-intellectual readership circles are being deluged with an eerie genre of literature coming to be called “futurology.” Although the collection reeks of the traditions of Nostradamus, Churchward, and L. Ron Hubbard, most of the research behind these publications is sponsored in dead seriousness by such CIA-type agencies as the RAND Corporation, Ford Foundation, and a proliferation of only less celebrated institutions throughout the advanced capitalist sector.

Those agencies are not wasting their time and funds; in a certain sense, the stuff works.

Two of the papers presented at the recent Linz conference attempted to unravel some of the recent output. The first, by Columbia University’s Edward W. Said(1), offered a scholarly overview of a sophisticated U.S. Mid-East policy developed, in part, by the RAND Corporation. The second, which veered off its track at the end, was the provocative review offered by Lund University’s Research Director for the Division of Social Psychology and Conflict Research, Lars Dencik.(2) The Labor Committee delegation’s differences with Dencik provide the point of departure for an account of why CIA operations so often succeed.

Dencik characterizes the genre:

“So called future research is not only humbug, it is not only the last spasmodic attempts by a senile positivistic social science to get out of its hopeless impotency, not only a death-throe in the body of late capitalism. On the contrary, it is something to look out for in the struggle against imperialism, since

what ‘future research’ really is, is an instrument of power in the hands of the most important forces of imperialism.”(3)

So far, so good.

Our issue with him was made clear during the plenary discussions of his paper and oral presentation. During that presentation and subsequent exchanges, he emphasized the need to combat futurology by debunking it. According to both his replies to several queries on on the point and the internal evidence of his paper and presentation, he locates the main significance of the genre in its use for journalistic “brainwashing” of large populations.

Said’s reporting on the Arab counter-insurgency programs locates Dencik’s mistake. Futurology studies may have an incidental significance as they provide the direct propaganda for influencing mass opinion; their important application — and purpose — lies elsewhere. All important futurology studies represent A STATEMENT OF OPERATIONS POLICY, TO BE IMPLEMENTED AS FIELD WORK CONDUCTED BY TRAINED TEAMS OF COUNTER-INSURGENCY OPERATIVES.

The CIA’s Vietnam Hamlet program could easily provide the material for a futurology best-seller of the Kahn type. The policy would be used by such a writer to paint a picture of Southeast Asia in the year 2000 A. D., a culture developed around the principle of “local control.” The significance of such a book would not be that identified by Dencik. Its import would be the elaboration of a policy being conducted in South Vietnam by counter-insurgency teams.

The Limits of Growth and Blueprint for Survival

continued

are the two leading examples of futurology writing in circulation today. As portraits of the future, both are humbug. As statements of operations policy, they are dangerously effective tactical formulations. They set forth a policy to be applied by trained counter-insurgency operatives using a "radical" cover, to mobilize tens of thousands of lumpens and "radical youth" into strike-breaking, even fascist mobs, to break the unions who are "threatening the ecology."

To analyze the import of any futurology publication, one concentrates on adducing from the guise of speculations about the future those present-day operations policies which a trained CIA counter-insurgency operative would read into the document.

APPLICATIONS

It is not necessary to travel to the Mid-East or Asia for clinical material on this subject. The same agencies (e.g., Ford Foundation) which plot counterrevolution abroad have been effectively applying the same counter-insurgency techniques at home in the U.S.A.

Using the same methods employed against Arabs and others around the world, major foundations and government agencies, conspicuously spearheaded by the Ford Foundation, effectively took control of key leaders and organizations of the black militants by about 1968.

These methods have effectively destroyed the former INDEPENDENT Black Nationalist movement. To the extent that some small independent such groups exist, they are life-boat-sized relics and splinters of formerly large and growing organizations. Most of the cadres of those former organizations are now scattered as demoralized individuals or local groupings. Otherwise, excepting the Black Panther Party, now resigned to imitating the Salvation Army, the only large Black Nationalist organizations in the U.S.A. are outright counter-insurgency groups along the lines of the "colonial administration" of the "President Thieu of South Newark" (New Jersey), Imam (LeRoi Jones) Baraka.

The same methods used to subvert, isolate and destroy independent black organizations, have been applied to the shattered and demoralized National Welfare Rights Organization, with the intent of either turning Welfare Rights organizers into government agents herding blacks into slave labor, or driving the unmanageable organizers out of the NWRO.

What is to be emphasized in all such examples is that counter-insurgency works — when it does work — by providing TACTICAL DIRECTION TO FORCES OF COUNTER-INSURGENCY AGENTS WHOSE FUNCTION IS TO CREATE "RADICAL" MOVEMENTS WHICH SET ONE SECTION OF A POTENTIALLY UNITED ANTI-CAPITALIST MASS AGAINST OTHER SECTIONS OF THAT MASS. It represents, in short, a sophisticated

modern version of the ancient policy of "divide and conquer."

Dr. Said emphasized the relevant points in his presentation. Determined not to have another Vietnam in the Mid-East, he argued, the imperialists probed for ways of preventing the sort of mass confrontations which would demand costly and hazardous direct military intervention.

He identifies the type of background research necessary to develop effective "divide and conquer" tactics:

"Sociological, anthropological and psychological methods expose a region in all its ethnic and cultural diversity, pointing to the interests, dynamics, and sensitivities of each unit." (4)

Said himself does not develop the appropriate observations which ought to follow at that point in his reporting. The implication remains obvious.

The problem continually confronting the counter-insurgency agency is that of preventing a potential mass force from being consolidated under conditions of stress into an actual, unified mass force. As Vietnam demonstrates, once the mass force has been constituted, the usefulness of further counter-insurgency efforts diminishes rapidly. The counter-insurgency specialist must do his work before the mass force can be consolidated.

His successful effort depends upon locating those pluralist tendencies of local ideologies and notions of self-interest which can be exploited to organize various local units of the mass against one another. He must organize around special local issues of the type which tend to set one local group of the mass against the others. He must attempt to make this system of fragmentation self-policing, through creation of attitudes of hostility toward meddling by "outsiders."

The basic techniques he uses for this purpose in the field are not extraordinary. Many skilled social workers have been trained in them. The counter-insurgency "community organizer" manipulates his clients through a show of "non-directive" advice. The manipulation is located in showing the local leaders where and how to obtain certain rewards for approved behavior, and what role they ought to play as leaders. Provided that the counter-insurgency social worker succeeds in winning the group to desired reward-seeking behavior and winning the leaders to the role-playing "suggested," the local group is very much under control.

Domestic U.S. counter-insurgency in the ghettos, in particular, has the following main features.

1. An experienced militant is awarded a small pilot "funding," usually sufficient to open a store-front office, buy a mimeograph machine, install a tele-

phone, a few office supplies, and make a few weekly hand-outs to neighborhood youths who become active in the "project."

2. His operations now become dependent upon continued funding, which he can obtain only by performing in a way which will bring renewal of his pilot-project funding.
3. By defining the performance goals for renewed funding, the controlling agency (e.g., CIA, Ford Foundation, VISTA, etc.) has defined the group's goals, and has effectively taken over the local militant and his following. This is the most crucial aspect of counter-insurgency "social engineering" technology — the proper definition of goals.
4. Collections of such controlled groups are easily mobilized to attack and eliminate competing groups independent of agency control, thus ridding the ghetto of almost every "radical" influence but those controlled by one or another counter-insurgency agency.
5. To obtain the deployment of the controlled group for special operations, the controlling agency need only threaten to withdraw or delay re-funding in a suitable fashion. The technique is to define conditions for re-funding or targets through which alternative funding can be secured. The Ford Foundation's 1968 effort to break the New York City union, the United Federation of Teachers, is a now-classic illustration.

The mechanics of such operations are within the competence of the counter-insurgency operative, often himself a corrupted ex-radical organizer. What such an operative can not efficiently contribute is the set of performance goals required for success. On this point, the field operations of the agent depend upon the "disinterested" contemplations of the social-science specialist "innocently" engaged in compiling his dissertation on the subject of the particular "interests, dynamics, and sensitivities" to be later played upon by field operations.

Said referred in his report to the enormous expenditure of effort on content analysis of field interviews of Palestinians by counter-insurgency agencies and their academic accomplices. This must, no doubt, be typical of current operations. It is such "content analysis" of prejudices, etc., which provide the designer of counter-insurgency tactics with the clues he needs.

On the surface, counter-insurgency tactics appear quite elementary. Nothing more scientific than an experienced confidence trickster's craft seems essential. What makes such craft useful in the end is the performance goals around which the operation is constructed.

That latter topic takes our inquiry into the most advanced realm of investigations.

PISTEMOLOGY

Dencik came close to the truth — a moment before turning away from it. He was close to the kernel of the problem when he referred to the problem of EPISTEMOLOGY during the discussion period following his principal presentation.

He was correct as far as he was willing to trace out the problem. The "humbug" of "senile positivistic social science" is a significant case-study of pathology for the epistemologist.

For example, the case of the notorious futurologist, Professor B.F. Skinner. Skinner is a primitive reductionist in his epistemology, with whom it is impossible to profitably debate facts, since Skinner's epistemology admits only the existence of those "facts" which concur with his reductionist world-view. For, certainly, he cannot be ignorant of the empirical studies of Wolfgang Koehler and Koehler's successors, which facts totally destroy the very premises of Skinner's alleged psychology.

The fault with all positivistic social science, the point which Dencik implies by his remark, is that it is a delusion corresponding to psychotic states, maintaining internal consistency by inventing whatever factual judgments of experience are necessary to maintain the appearance of such consistency.

Dencik's relevant arguments during the discussion period strongly suggest a mere academic view of the problem posed. He regards humbug social science in the genre of futurology as essentially an extension of the problem of the senile professor down the hallway in the university: an old fool who fills students' heads with reactionary nonsense. He proposes to deflate the charlatan's reputation; one must wish Dencik only success in such a useful enterprise. Unfortunately, his effort will not solve the problem posed to us by the old fool's counter-insurgency techniques.

The paradox of futurology is that it involves not merely epistemology, but APPLIED epistemology — and, humbug though it may be in a certain sense, IT WORKS!

It works principally because the ideology of the positivist's humbug social science is a distilled version of the prevailing implicit philosophy of the subject populations of counter-insurgency operations. The essential technique of all counter-insurgency operations in the advanced capitalist sector is to play upon the deeply-rooted pluralist ideology of the ruled to create radical, highly-energized special social formations which intensify the endemic pluralist antagonism toward

mass institutions, toward "interference" by "outsiders" in "local affairs."

This point is underlined by the way in which even self-styled revolutionary-socialist groups have been co-opted into counter-insurgency operations during the recent period. In the paradigm case of the effort to break the New York City teachers' union in 1968, the Communist Party, Socialist Workers Party (Mandelites), Progressive Labor Party (Maoist-syndicalist), Workers World Party (Maoist-Trotskyist — sic!), and Third-Campers were all engaged as voluntary workers for the Ford Foundation in strike-breaking in behalf of the slogan of "local control," a slogan which expresses the essence of reductionist sociology and is the key term in the counter-insurgency specialist's armament.

Seen in such terms, counter-insurgency is a struggle of an existing ideology OF THE RULED against the imminent new world-outlook of something approximating a class-for-itself. The process of fusion of fragmented sections of a working class and its potential political anti-capitalist allies into a mass force consciously united around a common program of general self-interest represents the material (social) premise for a break with the ideology to which those same masses have been heretofore subject all their lives. Counter-insurgency is essentially applied epistemology, the appeal to radicalized versions of pluralist ideology at a point immediately prior to the consolidation of masses into a new kind of social formation more appropriate to a new (class-for-itself) world-outlook.

One suspects, on the strongest grounds, that the essential source of fallacy of aborted insights such as Dencik's is that he and others at least implicitly assume that counter-insurgency ideology involves the imposition of some alien set of beliefs on a subject people FROM THE OUTSIDE. Such a view assumes that the social science professors represent an ideology alien to that generally accepted by the subject population. If that explanation of his view is the case, as the evidence compels us to assume, then Dencik et al. have missed all the key points.

Although there are features of positivism, for example, which pertain to the caste position of the espouser of such formal doctrines, the essential feature of positivism is the same reductionism, or anarchist belief in individual or parochial self-interest, which is normally the ideology of the ruled. The professor designing counter-insurgency tactics does not impose an alien ideology upon his subjects, but rather appeals to certain features of the ideology which he and his intended victims share in common.

The counter-insurgency tactic advanced by positivist ideologues is often effective despite the fantastic delusions involved from the standpoint of science. It is often effective because the counter-insurgency spec-

ialist, in falling back upon his own pluralist ideology, is more or less effectively reflecting upon the most reactionary prevailing beliefs and prejudices rampant among the population against whom he connives.

CIA TECHNOLOGY

The critical feature of the operations put into effect is not located in the pernicious ideas themselves. Ideas, pernicious or virtuous, find root only in fertile soil. A mere appeal to common reductionist prejudices would not suffice under the unstable conditions in which the services of a counter-insurgency agency might be wanted. The fertile soil for counter-insurgency ideas is established and maintained by creating those "radical" forms of social organization in which the interplay among the participants creates and energizes the sort of pluralist notions on which the operation depends.

All ideas are in essence abstractions of on-going social practice. Their immediate content, in that respect, is the plenum of propitiatory and other actions by which the individual finds social identity of the sort he desires within the interplay of the immediate group where he is situated. It is in those processes that notions of self-identity and self-interest are situated and molded. (5)

In the normal course of capitalist society (for example), such determining features of social formations are functions of established institutions. To construct a counter-insurgency operation for such societies would be worse than wasteful from the capitalist standpoint, since counter-insurgency means organizational change, which is precisely what the capitalist abhors under such "normal" circumstances.

The chore of the counter-insurgency specialist occurs as social crises break up long-established stabilizing institutions, so that those institutions no longer inspire confidence, and no longer exert the ideologically stabilizing control of "normal" periods. It is into these circumstances that the counter-insurgency agency is called, to improvise radical new institutions which will accomplish by design what now-failing institutions accomplished by evolution.

The CIA-type must ultimately define new institutions which perpetuate pluralism in an intensified, outright chauvinist form under the special conditions of general radicalization. In order to produce such controlling institutions, he must find the pathway from present conditions through intermediate transitional forms of organization.

The evolution and degeneration of Black Nationalism in the U.S.A. of the 1960's is an excellent example of his problem — and how he solved it.

For the black young male, especially, Black Nation-

alism was an essential step to A SENSE OF SOCIAL IMPORTANCE, a precondition for serious struggle in his class interest. Without counter-insurgency interference, the normal course of development of Black Nationalism would have been toward alliances with white workers. The exemplary cases of Malcolm X, the Black Panthers (for a period), and the League of Revolutionary Black Workers, are merely better-known instances of such a TENDENCY among INDEPENDENT Black Nationalist movements.

What happened to prevent this? In part, the Black Nationalists found no sizeable vanguard group to respond to their tendency for such alliances in an effective way; class alliances between black and white working-class forces remained a mere tendency which ebbed and surged without acquiring a self-sustaining determinate character. More important, the well-heeled counter-insurgency agencies stepped in, buying up demoralized and ambitious black militants in dozen lots. These recruited agents were funded modestly, enabling them to hustle together small coteries. These groups were given guidance in role-playing and performance goals, mainly aimed at both keeping radical outsiders out of the black ferment and harrassing independent black leaders who refused to get into line with the current project being pushed by the controllers.

These tactics were developed through "content analysis," adducing vulnerable points of Black Nationalist "interests, dynamics, and sensitivities" for counter-insurgency use.

That was the TRANSITIONAL phase: abort tendencies toward class alliances by emphasizing the "nationalism" in Black Nationalism.

The organizational forms toward which this work was aimed are exemplified by today's South Newark under "Papa Doc" Baraka, or almost any of the hideous ghetto enclaves riddled with corruption and bossist hooliganism against dissidents, which represent finished products of "local community control."

As a result, organized Black Nationalism today is mainly a police department of the U.S. government — except for those handfuls of young, independent blacks wondering how it all happened.

CAN IT BE DEFEATED ?

In some cases, such as the "Philadelphia Plan" or the 1968 Ford Foundation operations against the UFT, the evidence of counter-insurgency would be conspicuous through a low-power telescope on Mars. What makes such schemes most transparent to the analyst is the characteristic organizational features whose design bears the thumb-print of the counter-insurgency mentality.

In the general case, it is more difficult to distinguish the agent from the radical fool. In the transitional approaches, before the situation is yet ripe for the controllers to push for radical organizational forms, the agent is exploiting endemic reactionary tendencies among the mass to build a faction which is not essentially unlike a faction formed by Third Campers, anarchists, pseudo-Trotskyist "local control" advocates, etc. In such circumstances, the agent is merely working to increase the odds in favor of what reactionary self-styled socialists and others would do naturally.

Usually, today's factional leader without a visible organizational backing from the existing left is an agent — we find from experience, either a conscious agent or simply an individual working as a radical on the payroll of some counter-insurgency front organization for governmental, Ford Foundation, or similar controllers. It is generally a useful rule in the U.S. today that the outline of the socialist movement has already been determined, such that any person able to attain factional influence comes from somewhere among established political tendencies. The disembodied "individual charismatic leader" who floats from "movement" to "movement" TODAY is in most cases an agent.

Whether particular persons are agents or not is usually of no decisive importance in dealing with related problems.

The problem facing the revolutionary is only typically the problem sometimes represented by the actual counter-insurgency agent. What the agent must do, characteristically, is to organize a faction to oppose the intervention of "outsiders" into the particular trade-union or radical bailiwick the government is attempting to control. In such matters, the agents are usually vastly outnumbered by the reactionary militant trade-unionists and other radicals naturally produced by the effects of bourgeois ideology in those strata. The problem of fighting the agent is subsumed by the general problem of opposing those indigenous radicals or "militants" who do the work of the government without pay or Ford Foundation guidance.

It is Marxians, not the counter-insurgency specialists, who represent the "alien ideology" from the stand-point of the world-outlook previously prevailing in the milieu among which he works!

The Marxian, like his opposite number in the CIA, works on the basis of attempting to establish social forms which provide the fertile ground for special ideas, etc., of the subject populations, to locate those points of entry around which to establish transitional forms of propaganda and agitation leading in the direction of the forms of social organization we aim to establish. Marxians, too, have a program for those intended institutions. Marxians, too, adduce from these phases of their operating policy a definite futurology.

the CIA is that, but also one more thing. The CIA-type proposals cannot, by their nature, deliver on the promises implicit in their organizing effort; Marxians can. History is not "with" anyone in this battle — in the sense that the outcome of the struggle is somehow fatalistically pre-determined. The only aspect of history

the underlying potential, and the fact that as revolutionary organizers create the class-for-itself approximating institutions they are committed to build, those institutions are by epistemological principles impervious to the counter-insurgency operations of any CIA.

FOOTNOTES

1. Edward M. Said, "United States Policy and The Conflict of Powers In The Middle East."
2. Lars Dencik, "Imperialism of the Future."
3. Ibid., p. 23.
4. Said, op. cit.
5. Cf. Ludwig Feuerbach, Principles of the Philosophy of the Future, Sections 29-33. Compare with Gramsci's treatment of "organic philosophy."

THE CAMPAIGNER

The CAMPAIGNER is published by the NATIONAL CAUCUS OF LABOR COMMITTEES

Subscription Rate: \$2.50 for 4 issues; \$4.00 for 6 issues.

Address all correspondence to: The Campaigner
Box 295, Cathedral Station
New York, New York 10025

Managing Editors: Carol LaRosa and Ed Spannaus

Editorial Staff: C. Berl, P. Brand, R. Dillon, L. Marcus,
R. Rose, T. Perlman

by Robert Maurer

... You see, I was a Scout Master at one time. But when some of my scouts began to grow up and come back to see me, Eagle scouts, telling me that they were not going to go into the Army, that they were going to be conscientious objectors, we would sit down and argue, and I would try to defend the U.S. policies in Viet Nam. But it got pretty difficult, and after they would leave, I'd find myself thinking about it, and I didn't like the conclusions I was coming to.

—Victor Marchetti, top C.I.A. intelligence expert for 14 years, on a recent National Educational Television special.

Although New Left spokesmen are succeeding in radicalizing thousands of the young, the greater cause for concern is the hostility of respectable liberals and social reformers. It is the sum total of their views and influence which could indeed fatally weaken or destroy the system."

—Lewis F. Powell, Jr., in a confidential memo written to the U.S. Chamber of Commerce (Aug. 23, 1971) two months prior to his nomination as U.S. Supreme Court Justice.

NEW YORK CITY—Back in the spring of 1964, Random House stood firm against the Central Intelligence Agency's attempt to stop publication of the first expose of the C.I.A.'s clandestine operations.

The C.I.A. had obtained a copy of the bound pages of *The Invisible Government* prior to publication. (This year the C.I.A. also clandestinely obtained the outline of a proposed book by Victor Marchetti, a former top staff member in the agency.) Such domestic activities, however, are specifically prohibited by the legislative act that established the C.I.A. But the agency got away with it.

After reviewing the bound pages, John McCone, then C.I.A. director, made several phone calls to Random House contending that the book contained a number of errors.

One, Two, Many Editions

The thrust of McCone's calls, it was assumed at the time, was to convince Random House not to publish the book. After the authors David Wise and Tom Ross backed by the publisher, reaffirmed the accuracy of the text as it stood, the agency, through an intermediary, informed the late Bennett Cerf (founder and chairman of the board of Random House) that it had studied the possibility of buying up the entire first

CENSORING THE PRESS

Random would print a second—and third edition if necessary.

Although the C.I.A. neither stopped the book, nor bought up the first edition, the publicity surrounding its attempts to do so contributed to *The Invisible Government* becoming a number one bestseller.

(But the C.I.A. didn't rest there. According to author Wise, the agency prepared a lengthy analysis of the book, attempting to refute it point by point, classified this document, and circulated it only within the agency.)

In 1964, when most of the country believed in the campaign rhetoric of Lyndon Johnson, it was a frightening enterprise to write and publish such a book. And when, however ineffectively, the C.I.A. brought pressure to bear, both authors and publisher stood firm in the best tradition of freedom of the press.

Now, however, those C.I.A. telephone calls have given way, in some important cases, to legal initiatives (and the spectre of legal cases) to censor books, or parts of them, directly. This, in turn, is having a chilling effect on the book industry through self-policing, editors are thinking twice about publishing sensitive material. The Government has decidedly won a few rounds this time.

Over the last two months this reporter has spoken with some two dozen editors from various publishing houses, large and small, to gain a sense of the present climate in the industry following several cases involving Government pressure to limit First Amendment rights. In summary, the following are the more publicized cases, as well as recent Supreme Court decisions, effecting the public's right to know:

A Boston grand jury subpoenaed the bank records of the Unitarian Universalist Association after its publishing arm, Beacon Press, issued the four-volume Gravel edition of the "Pentagon Papers." (More later.)

Last May 15 the U.S. Court for the Eastern District of Virginia ruled in the Government's favor to stop Victor Marchetti from submitting any manuscript to his publisher unless he first submitted it to the C.I.A. (More later.)

Prior to Publication

Harper & Row, against the initial protest of author Alfred McCoy, acceded to the C.I.A.'s desire to see galleys of *The Politics of* *From* *in Southeast Asia*, under certain conditions, prior to publication. Harper & Row wanted to avoid possible litigation.

On June 29 the Supreme Court, in a 5 to 4 decision, ruled in the case of Senator Mike Gravel (D-Alaska) that a Congressman's immunity, guaranteed in

the "speech and debate clause" of the Constitution, while extending to his aides, extends only to the "legislative process," i.e., his actions on the floor of Congress and in committee.

Otherwise he is subject to grand jury investigation in the act of gathering information from private citizens, or in the act of attempting to disseminate information beyond the Congressional Record, as Gravel did in seeking a publisher for the "Pentagon Papers" in order to reach the widest possible audience.

Also on June 29, the Supreme Court ruled in the case of New York Times reporter Earl Caldwell that reporters must appear before grand juries when called to testify regarding the sources of their news stories. (An Appeals Court ruled recently along the same lines, refusing immunity to scholars, in the case of Samuel Popkin, a Harvard professor.)

In late November the Supreme Court issued new rules of evidence in which, among other things, the Government may refuse to give evidence and prevent any person from giving evidence in court if such testimony is likely to reveal a "secret of state" or "official information."

The Costs of Controversy

The random sampling of editors' opinions has revealed both a tougher and a more cautious attitude toward publishing sensitive material that might embarrass the Government. Gene Rachlis, editor-in-chief at Bobbs-Merrill, said that even though the Harper & Row affair had set a bad precedent, "people will be tougher in the industry from now on." Tony Clark, an editor at Atheneum, thought that most editors were "anything but intimidated" by those recent events.

Although every editor contacted was of this general view, John Simon of Random House pointed to the \$50,000 or so that a publisher might expect to spend to defend a book against Government legal action. This price-tag would have a "chilling effect" on a publisher's decision to go ahead with a book likely to embarrass the Government.

Simon thought that even the consideration of such a cost factor, as well as staff and lawyers' time in defending the book, especially if the book might be less than a potential bestseller, meant the Government had "already won" the first round.

Disenchantment with the Indochina war, Simon went on, has had an effect in the publishing industry. A general atmosphere

Victor Marchetti and the C.I.A.

In his own words, Victor Marchetti is a loyal, patriotic American who has always worked within the system. He described himself on a National Educational Television feature (Oct. 25) as one who had joined the C.I.A. as one would join the priesthood—a true believer, totally committed.

Speaking of himself in the third person, he reported that he "gave everything, and then one day, over a period of time, of course, came to the conclusion that it wasn't what he thought it was, and therefore he had to leave."

After leaving three years ago, however, he maintains that "you don't want to destroy the system, you want to improve the system." Marchetti spent 14 years in the intelligence-gathering section of the C.I.A. and gained such a high position that, with other C.I.A. executives, he met at 8:30 A.M. every morning for top-level briefings in the Executive Suite.

Although he still believes in the role of intelligence-gathering, "I lost faith in the cold war clandestine activity involving the manipulation of governments. . . . It was becoming more important to me that problems in the Detroit ghetto would be solved rather than we have the right people in power in X country, in Latin America. . . ."

According to his editor at Knopf, Dan O'Krint, Marchetti had already indicated his willingness to submit his proposed manuscript to the agency for its suggested deletions. Both O'Krint and Marchetti maintain that they do not want to publish any material harmful to the national security, but they also maintain that the C.I.A. does not have the *first or the last* word on deleting what it feels would harm the national security.

"We have a reputation to maintain at Knopf, and so we would consult with the C.I.A. as we would with any outside expert prior to publication," O'Krint said.

But the Government did not buy this approach, even though that was the arrangement made during the same period with another 14-year veteran in intelligence-gathering, Patrick J. McGarvey. McGarvey honored the agreement he had signed with the C.I.A. which stipulated, in part, that a manuscript must be submitted to the agency by a former employee in order to avoid disclosure of any classified information relating to the national defense.

The agency returned McGarvey's manuscript, *C.I.A.: The Myth and the Mission*, and questioned one anecdote (which he left in) and two one-line statements (which he took out), according to his editor, Irv Goodman. The book had been under contract with Saturday Review Press two years before Marchetti signed with Knopf.

Leadership Class Breakdown

And yet, the same month in which the C.I.A. looked over McGarvey's manuscript, it also asked the Justice Department to go into court and restrain Marchetti from showing any portion of his proposed manuscript to anyone until he first showed it to the C.I.A. It seems that the Govern-

ment had singled out Marchetti (McGarvey never reached a high position in the agency) for special, possibly punitive treatment, perhaps as one of those social reformers causing that "breakdown in the leadership class" of which Nixon spoke just before his re-election.

The court order directing Marchetti, among other things, to submit any manuscript written by him to the C.I.A. 30 days before its submission to anyone else for deletion of materials (i.e., the C.I.A. has the last word) is only the second such court injunction in modern history, according to Mel Wulf of the American Civil Liberties Union.

The first such injunction was the year before, when the Government tried to restrain The New York Times and other papers from publishing their synopsis of the Pentagon Papers. If the Supreme Court decides to hear the Marchetti case, it will no doubt be a landmark decision. And yet, there has been very little public attention on this second attempt in less than a year to force media into a situation of pre-publication censorship by the Government.

When the Association of American Publisher's Freedom to Read Committee met to discuss the filing of an *amicus curi* brief in Marchetti's appeal case, two positions emerged. The first was a "middle ground" in which some editors believed the courts, not the C.I.A. or any other governmental agency, should decide prior to publication if certain material in a proposed book would harm the national security, and the extent of the relief the Government should be permitted. These editors noted that the test to determine "national security" should be a "direct, immediate, and irreparable damage to our nation or its people."

In *The New York Times Company v. the United States*, the center position of the six concurring Justices stipulated that "only governmental allegation and proof that publication must inevitably, directly, and immediately cause the occurrence of an event kindred to imperiling the safety of a transport already at sea can support even the issuance of an interim restraining order."

In other words, this position argued that the Government must prove in court, prior to publication, that the material in Marchetti's book would be of a

magnitude to permit our enemies to sink or seriously damage a troop transport at sea. If sustained by the courts, then such material would be deleted by the publishers.

The second position, which carried and was incorporated in the *amicus* brief, maintained that throughout most of the history of this country published materials have never been bound by law prior to publication.

In effect, these editors argue that the First Amendment guarantees an absolute right forbidding prior legal restraint on the publication of anything, even to the extent of not allowing the courts to decide what may or may not be harmful to the national security.

One editor supported this argument of non-interference by saying that the book publishing industry is not irresponsible, that it does seek out all kinds of advice prior to publication, implying once again, as O'Krint said, that the industry is not about to publish anything it believes would harm the national security. "We certainly don't need the C.I.A. to help us stay out of trouble," another editor remarked.

Court Regulations

Although the Supreme Court will decide shortly whether or not it will agree to hear the appeal, its recently promulgated rules of evidence may pull the rug out from under the "middle ground" position. The code, on the face of it, gives the Government uncontested privilege to decide what can and cannot be classified without relief in the courts simply by saying such material cannot be discussed in the courts at all.

Congress has until July 1, 1973 to repeal any section of this code.

Besides the threat to the First Amendment implied in the Government's move against Marchetti, there is another disturbing aspect. Last March 12, Marchetti's literary agent xeroxed 6 copies of an article, written about the C.I.A., and sent five copies to five publishing houses, and the sixth to Esquire magazine for subsequent publication.

By sending out the xeroxes, the literary agent hoped to interest one of the five houses in signing Marchetti up for a book. In the papers filed with the U.S. District Court on May 15, the Government said that it first learned of Marchetti's intention to do a book on March 12. Dan O'Krint stated that it was impossible for the Government to have known such information on that day, since only Marchetti and his literary agent had the xeroxes. Hence, it is assumed that the Government falsified the date on which it learned of the proposed book by pushing it up a few days to March 12.

CC:U/L/ated

Thus the Government sought to protect, whoever it was in one of those five publishing houses who got hold of a xeroxed copy and passed it on to the C.I.A. Once again, such domestic clandestine activity is specifically prohibited by the act which established the C.I.A.

Despite the fact that "the phrase 'criminal activity' has become equivalent to the phrase 'national security' as a shield behind which the Government can do anything it wants to do, and people have been taken in by this" (Dr. West), an example of the same determination to maintain freedom of press as in *The Invisible Government* episode occurred recently. Jim Silberman, editor-in-chief at Random House, was called by the C.I.A. asking to see the manuscript of a book:

At that time, however, no manuscript existed, but the author said he would not show the agency a manuscript even when he completed one. Then the author asked the C.I.A. to tell him what material might be objectionable. When the agency told him what it had in mind, the author said he never intended that material for the book in the first place.

Two editors fondly recalled for American Report the kind of democracy, the kind of freedom which they feel the Government is trying to curtail.

"Criticizing the Government was an indoor sport in Indiana when I grew up," Angus Cameron remembered. And Goben Stair pointed to the small town meetings in Massachusetts where, even if a meeting is closed for a specific reason, the discussion doesn't stay secret for long. "The minute things are not out in the open," Stair emphasized, "we have a different kind of Government."

Robert Maurer writes regularly for American Report.

Court Forbids Book About CIA

By CURT MATTHEWS

A Washington Correspondent
of the Post-Dispatch

WASHINGTON, Jan. 30

VICTOR L. MARCHETTI wants an unabridged right to what's on his mind. Marchetti is a former employe of the Central Intelligence Agency and as such has been denied the privilege of writing his memoirs.

When Marchetti resigned from the CIA in September 1969, he began to write about his experiences and first-hand knowledge of the inner workings of the government agency responsible for international espionage, intelligence and related cloak and dagger activities.

He published a novel, "The Rope Dancer," in 1971 that had as its central plot the perils of a CIA employe who provided secret United States documents to the Soviet Union. This was followed by a magazine article in April of last year entitled "CIA: The President's Loyal tool."

This was followed by a court action by the CIA to stop Marchetti from writing.

Marchetti resisted the suit on the ground that the First Amendment guaranteeing freedom of press protected him from any restraint by the CIA. The case got as high as the Supreme Court, which voted 6 to 3 last December not to get involved.

THE HIGH COURT'S action lets stand and appeals court ruling by Judge Clement Haynsworth that when Marchetti signed an agreement with the CIA in 1955 that he would protect the internal secrecy of the agency, he in effect signed away his right to freedom of expression.

Haynsworth, noting that Marchetti had signed a secrecy agreement when he joined the CIA promising not to divulge any of the agency's classified information, said in his order last May, "We find the contract (between Marchetti and the CIA) constitutional and otherwise reasonable and lawful."

It has frequently been said by legal scholars that the cases rejected for full hearing by the Supreme Court constitute a body of judicial action fully as important as the few cases heard by the court and upon which written opinions are issued.

THIS ASSUMPTION may again be demonstrated in the Marchetti case. The former CIA agent, currently under court injunction not to publish anything about

the CIA without prior approval, intends to complete a book about the agency and have it published by Alfred Knopf & Co.

Marchetti said recently that he intended to permit the CIA to review the book, but that if the agency vetoed publication, he would challenge its position in the courts charging violation of freedom of the press.

The issue at that time could be similar to one aspect of the controversy that arose in the case of the Pentagon papers. Can the Federal Government, acting through the courts, restrain publication of material relating to public affairs?

The Supreme Court decided 6 to 3 in June 1971, that the New York Times and the Washington Post — along with a number of other newspapers including the Post-Dispatch — had the right to publish secret Pentagon documents showing that the Government had concealed, distorted and misrepresented facts relating to American involvement in the Vietnam war.

Marchetti insists that none of the material in his books or articles threatens the security of the U.S. or violates the spirit of the agreement he signed in 1955. He has used material that is still classified secret, but in nearly every case it is material that has already been disclosed to the public.

Furthermore, Marchetti contends that the CIA and similar government agencies promiscuously classify material and information for the sole purpose of keeping it from the public and not because it has anything to do with the security of the nation.

"I BELIEVE in intelligence," he told the Post-Dispatch recently, "but not in hanky-panky. International espionage is one thing, but meddling in the affairs of other countries is something else. The whole concept of the CIA has to be rethought, with secrecy kept to a bare minimum. The main purpose of secrecy classifications now is to keep the public in the dark."

Marchetti, who held a number of jobs in his 14-year career with the CIA, including special assistant to the deputy director, the agency's second in command, says that much of the international espionage that goes on is well known to the governments involved but not to the citizens of those countries.

"Hostile governments often conspire to keep information from the people," Marchetti said. "The Russians knew of the first secret U-2 flights over their country in the late 1950s, five days after they began, but kept this information from the Russian people for months just as the U.S. government kept it from Americans. There have been similar two-country cover-ups involving the U.S. and certain South American countries in recent years."

In handing down his ruling last May, Haynsworth alluded to the conflict between the First Amendment guarantees of freedom of press and the need for a government to preserve confidentiality in some of its sensitive international and domestic dealings.

"We readily agree with Marchetti that the First Amendment limits the extent to which the United States, contractually or otherwise, may impose secrecy requirements upon its employes and enforce them with a system of prior censorship," Haynsworth said.

HOWEVER, he balanced this view in favor of the Government by later quoting the late Justice Felix Frankfurter: "Free speech is not so absolute or irrational a conception as to imply paralysis of the means for effective protection of all the freedoms secured by the Bill of Rights."

The Marchetti case thus stands in contrast to that of the Pentagon papers at this point. In the Pentagon papers case, the high court reasoned that the government had failed to prove that publication actually would endanger the national security, and thus came down on the side of freedom of the press.

In the Marchetti case, the Supreme Court has let stand a lower court ruling that says in effect, the Government's in-

terest in maintaining secrecy is more important than the public's right to know.

It is, from a legal point of view, unfortunate that the Marchetti case came to the high court burdened by two special circumstances: One, his 1955 agreement not to divulge information about the CIA without the agency's approval, and two, his insistence on the right to publish without actually having a manuscript in hand as "Exhibit I."

The second of these circumstances is scheduled to be erased this spring when Marchetti completes his nonfiction

continued

volume on the CIA. The first, however, remains and undoubtedly is a point that the Government will continue to inject as a rationale for controlling and inhibiting Marchetti's work.

IN ITS WRITTEN argument to the Supreme Court last year explaining why the court should reject the Marchetti case, the Government made only scant reference to the First Amendment and freedom of the press. Solicitor General Erwin N. Griswold relied primarily on the point that Marchetti had signed a perfectly legal document in 1955 and that he was fully aware of what he was doing.

If Marchetti butts heads with the CIA on his new book, he and his attorneys must necessarily find a way around the 1955 contract. They insist at this point that it is unconstitutional to apply it in the catch-all manner as the CIA is attempting to do. Marchetti says he can live with the spirit of the contract, but not with its abuse by the CIA.

"The rub in all this," he says, "is that the CIA decides what is classified and what isn't. The effect is an outrage and an abridgement of my freedom of expression not just on classified information but on everything even remotely related to the CIA or its operations."

WASHINGTON STAR

10 JAN 1973

Gray Re-establishes Intelligence Link to Units

By JEREMIAH O'LEARY
Star-News Staff Writer

Acting Director L. Patrick Gray, continuing his reorganization of the structure of the Federal Bureau of Investigation, has quietly reestablished a unit for maintaining intelligence liaison with other key government agencies.

The liaison section, consisting of eight experienced FBI agents, keeps in continual contact with the departments of Defense, State, Transportation and the Treasury and also with the Central Intelligence Agency, the National Security Agency, the Bureau of Narcotics and Dangerous Drugs and the Atomic Energy Commission. It is headed by Homer Boynton.

Gray made the decision to reconstitute FBI liaison with other U.S. government intelligence functions on Nov. 13 and FBI supervisors were notified of the decision in an internal memo from Gray's office on Nov. 22, according to his special assistant, David Kinley.

The late J. Edgar Hoover abruptly abolished the entire liaison section in Sept. 1970, reportedly piqued because the CIA refused to share an intelligence source with the FBI. In Hoover's era, the liaison section had grown to about 13 agents but it was always a touchy assignment within the bureau because of Hoover's

periodic feuds and suspicions involving Washington officials.

Gray's office gave no reason for reestablishment of the liaison section, which will function as part of the Domestic Intelligence Division.

The original liaison section started after the end of World War II when Hoover and the then-new CIA went through the explosive process of working out boundaries and working relationships. After a long series of negotiations and messages, the FBI and CIA generally agreed that Hoover's bureau would have intelligence responsibility for the United States and the CIA would be paramount overseas.

Liaison men were appointed and the pact worked fairly well in general, although neither agency ever pretended to be cutting in the other on everything it knew or was doing. In time, a relative handful of FBI agents began working overseas as legal attachés in U.S. embassies while some CIA functions began to become commonplace on the mainland United States.

Gray's memorandum did not mention liaison with the White House. The exact relationship of the FBI with the President's staff has tended historically to be set by the incumbent president. Lyndon B. Johnson encouraged liaison and a Hoover assistant, Car-

tha D. DeLoach, was not only an almost daily visitor to 1600 Pennsylvania avenue, he also had a White House telephone installed in his kitchen.

President Kennedy dealt with the FBI largely through his brother, Atty. Gen. Robert F. Kennedy. President Nixon's staff kept in contact with Hoover and his aides largely by telephone or through Atty. Gen. John Mitchell.

Kinley also disclosed that a veteran FBI agent from the extinct Crime Records Division, Jack Herington, will be the chief of a small section in the director's office for handling press and media relations.

Herington will be given a small staff of two or three relatively young agents to handle the job.

LETTERS

Dear Editors:

I am writing to clarify various ambiguous statements attributed to me—and, incidentally, to correct the misspelling of my name—in Robert Maurer's article on press censorship (AR, Jan. 15).

Discussing the Central Intelligence Agency's attempt to pre-censor Victor Marchetti's forthcoming book on the C.I.A., Maurer quotes me as follows: "We have a reputation to maintain at Knopf, and so we would consult with the C.I.A. as we would with any outside expert prior to publication."

The quote implies that Knopf would, as did Harper & Row in the McCoy (*The Politics Of Heroin In Southeast Asia*) case, actively cooperate with the C.I.A. in its review of our manuscript; as I remember the context, and as those of us at Knopf have repeatedly said, publicly and otherwise, in regard to this question, we would definitely not actively solicit or encourage C.I.A. comment on the Marchetti manuscript, nor would we in any other way voluntarily "consult" the agency; we steadfastly feel that any such decision to consult is strictly the author's.

But we are also aware that, as in the case of *The Invisible Government* by Wise and Ross, the C.I.A. would be quite able to find advance galley proofs of the manuscript on its own, that they would more than likely offer a list of suggested corrections and emendations, and that we would certainly read and consider such a list—and that we would just as certainly reserve the right to ignore entirely whatever they had to say. As to my alleged reference to the maintenance of Knopf's "reputation," I genuinely cannot recall saying—or thinking—that at all.

Further, the statement that Knopf "maintain(s) that they do not want to publish any material harmful to the national security" is a rather incomplete expression of our view, which was rather more exhaustively explained to Mr. Maurer: that what may be deemed "harmful" is certainly

open to question, and that the author's, or the publisher's, sense of harmfulness will not very likely coincide with the Central Intelligence Agency's sense of harmfulness.

Later in the article, according to Mr. Maurer, I said that "the industry is not about to publish anything it believes would harm the national security." Here, again, the same principle of the fuzzy nature of what constitutes "harm" applies.

Thank you for allowing me the opportunity to address myself to these points, and let me commend Mr. Maurer and American Report for an otherwise comprehensible and comprehensive article.

Daniel Okrent
Editor
Alfred A. Knopf, Inc.
New York, N.Y.

AMERICAN REPORT

Review of religion and American power

VOL. III, NO. 9

JAN. 29, 1973

Published biweekly except monthly in August at Astoria Press Inc., 435 Hudson St., New York, N.Y. 10014 by Clergy and Laity Concerned, a nonprofit national emergency committee. © 1972 by American Report. The opinions expressed in American Report are those of the contributors or editors and do not necessarily express the views of Clergy and Laity Concerned or others associated with the publication.

Managing editor: Ron Henderson
Design directors: John C. Jay
Editorial staff: Esther Cohen, John Kermode, Deborah Wiley

Editorial and subscription correspondence: 238 East 48th Street, New York, N.Y. 10017.
Subscription rates: single copy, 50 cents; one year, \$9.00; two years, \$16.00; three years, \$23.00. (Foreign postage per year, per subscription: Canada and PUAS countries, \$2.00 additional; elsewhere, \$3.00 additional.)
Bulk rates: for information, write to above address.
Student rate: \$7.00 per year mailed to university address.
Second class postage paid at New York, New York.
Postmaster: Please send form 3579 to American Report, 238 East 48th Street, New York, N.Y. 10017.
American Report subscribes to Dispatch News Service International (DNSI), Ecumenical Press Service (EPS), Latin America Press (LAP), Pacific News Service (PNS), and Religious News Service (RNS).



AMERICAN AFFAIRS

GENERAL WALTERS' TRIP TO BRAZIL EXPLAINED

[Article; Havana, Bohemia, Spanish, 19 January 1973, p 85]

Regardless of how much Galo Plaza discounts it, the CIA does think and does act. Therefore it does exist, to paraphrase the erudite Cartesian saying. For example, the one who currently is making a survey of military garrisons in Brazil is not exactly an ethereal, tourist phantom, nameless and inaccessible, but a tough flesh and bones person, aggressive and active, a four-star general in the hierarchy of the Pentagon. His name is Vernon Walters and he is second in command in the Central Intelligence Agency's register, an operational officer responsible for the preservation of imperial order in the Latin American world. The PL [Prensa Latina], from which this commentary is extracted, does not specify the background of the gallant Yankee warrior. But this is not necessary in order to correctly place him. One does not become deputy chief of the CIA by collecting butterflies or cultivating roses and jasmine. What is needed is the capacity for operational maneuvering and intrigue, and also brutality without contemplation. At least in theory, a high-level CIA chief has to know the art of crushing testicles and obtaining reactions with an electric goad.

General Walters arrives in Brasilia about the middle of December on flight 290 of the VASP. He is met at the airport by his counterparts in intelligence and information. The very day of his arrival he meets with General Carlos Albert Fontoura, considered the second man in the gorilloid regime of Garrastazu Medici. Then he hops to São Paulo to partake of a dinner, behind closed doors, with General Augusto Jose Presgrave, Commander of the Second Army Division; Brigadier Dolio Jardin de Nattos, of the Fourth Air Zone; and Admiral Sylvio de Magalhaes Figueiredo, Commander of the Sixth Naval District. Later, still in a clandestine atmosphere, he has an interview with Garrastazu in the "Granja do Torto, the

presidential retreat. The Minister of War, General Orlando Geiscl, is present at the secret meeting. In a matter of a few days, the diligent visitor surveys the whole military and police register of the carioca country, from top to bottom.

Very soon the objectives of the visit become apparent. The CIA deputy, carrying out specific instructions from Nixon, comes to urge a "hard line" with regard to the government of Chile. The success of the mission is apparent from the first shots directed at the Popular Unity government. Scarcely wrapped in thin cellophane. General Humberto de Souza Melo opens fire. "Brazil and the United States," he proclaims, "will continue to fight against communism, which is digging its claws into South America." Further on he refers to "the red menace which blows from the seas of the Pacific." "Red" menace and seas of the Pacific? The conclusion is obvious. Chile in the sights of the CIA's Brazilian affiliate.

8255
CSO: 4200-W

29 JAN 1973

Washington Whispers®

Too Many Cooks in the CIA?

Now expected is a thorough shake-up of the Central Intelligence Agency. Intelligence sources say the President particularly wants to sharpen the handling of the CIA's analyses of foreign affairs and international economics. One complaint is that under existing procedure some of the agency's excellent reports are muddled by the time all the experts get their views in.

* * *

A career officer in Israel's Army, discussing the odds on an Arab-Israeli war along his country's border with Syria: "This is not a serious threat. The Syrians are incapable of such a threat. They know if they start anything we can be in Damascus in 35 minutes and they can do nothing to keep us out."

* * *

Senate hearings on the Watergate political-espionage affair will not get under way until late spring, at the earliest. Associates of Senator Sam J. Ervin, Jr., the North Carolina Democrat who is to guide the inquiry, say he will not launch it until the criminal case has been completed and that he has hearings scheduled on other matters for the first few months of this session of Congress.

* * *

At a Washington cocktail party, an Eastern European envoy remarked that the scramble of cameramen and reporters around Russia's Leonid Brezhnev and French President Georges Pompidou as they met in the Soviet city of Minsk would not have been permitted by security men at the Paris airport. A French diplomat rejoined: "True—we only secure the airport while you Communists secure whole countries."

* * *

In an effort to step up production, Communist China is wooing industrial workers with higher wages, cash incentives and special awards. In rural areas, peasants' incomes are now determined by quality and quantity of labor output rather than by political

HS/110-950

Washington Whispers.

[Items appearing on this page are being talked about in Washington or other news centers.]

★ ★ ★

Friction between the Central Intelligence Agency and military intelligence officers has not been eased by the change in command at the CIA. A Defense Department source commented: "We thought the variance between CIA and Defense intelligence estimates would narrow with the appointment of James R. Schlesinger as the new Director at CIA. But the gap has actually widened and the trend is disturbing."

U. S. NEWS & WORLD REPORT, March 12, 1973

CIA to CURB Its Training Of Policemen

By JACK KNEECE

Star-News Staff Writer

The Central Intelligence Agency has promised a California congressman it will discontinue technical assistance to local police agencies except "in the most compelling circumstances."

James R. Schlesinger, director of the CIA, wrote Rep. Chet Holifield, chairman of the House Committee on Government Operations:

"In keeping with the sensitivity of this matter I have directed that such activities be undertaken in the future only in the most compelling circumstances and with my personal approval." The letter did not specify what these circumstances might be.

stances might be.

Holifield said CIA agents gave briefings or demonstrations to police officers of six local or state jurisdictions and held briefings or training sessions lasting two or three days for policemen from nine metropolitan or county jurisdictions.

Those jurisdictions included Fairfax and Montgomery counties.

CIA surveillance training, involving dossiers on persons in the New York City area, came to light when it was condemned by Rep. Edward I. Koch, D-N.Y. last month.

"It is a clear violation of the 1947 law that created the CIA," Koch said.

Holifield wrote Schlesinger: "The sensitive nature of the agency's work and the mandate of its enabling legislation to refrain from engaging in domestic law enforcement activities would seem to compel a reconsideration of the recently publicized activities."

Holifield also called Schlesinger's attention to a federal law requiring that such assistance must be reported in writing to the Congress.

Koch said the 1947 law clearly and indisputably states that the CIA is to have "no internal

PHILADELPHIA, PA.
INQUIRER

M - 463,503
S - 867,810

JAN 12 1973

Pentagon, Intelligence Agencies At Odds on Results of Bombing

By SAUL FRIEDMAN

Of Our Washington Bureau

WASHINGTON. — There is deep disagreement in the Pentagon and top intelligence circles over the military effect of the 11-day December bombing of Hanoi and Haiphong.

Admiral Thomas H. Moorer, chairman of the Joint Chiefs of Staff, told the House Appropriations Committee on Tuesday that the raids were "very effective" in reducing North Vietnam's "war-making potential."

But Congressional sources close to the Pentagon and the Central Intelligence Agency say other assessments contradict Moorer's report.

And one congressman, noting Moorer's admission that he was not consulted before the President ordered the

bombing, said: "If the President didn't explore the military ramifications of his actions before he took them, it would suggest that there were other than military reasons for the bombing."

OUTGOING Central Intelligence Agency director Richard Helms, it was learned, has told members of Congress that the bombing did "relatively little damage" to North Vietnam's war-making potential.

One congressman added: "The bombing wasn't supposed to have much effect, militarily, although it did cause rather minor disruption."

"Within days after the bombing they replaced railroad lines and bridges or found other ways of importing war material and transporting

it to combat areas," he said.

The Congressional source in possession of information from the Pentagon and intelligence sources rejected the rationale Moorer gave for bombing Hanoi and Haiphong at this stage in the war.

MOORER told congressmen that the North Vietnamese had engaged in a new supply build-up while negotiations were taking place from late October to mid-December.

But the congressman, who did not want to be quoted by name, noted that the U.S. carried on unrestricted bombing against military targets in North Vietnam from May 8 (when the President announced the blockade and mining of Communist harbors) through Oct. 23, when bombing was ceased north of the 20th parallel amid negotiations and speculation of an impending peace agreement.

The heavy bombing then resumed on Dec. 18, after the breakdown of the agreement, and targets included populated areas of Hanoi and Haiphong.

"It is ridiculous to believe that despite months of bombing, the North Vietnamese were able to accomplish the kind of buildup in two months that only 11 days of bombing could stop," the congressman said.

"If that is so, then we will be right back where we started in another two months. The truth is that there were no military targets of consequence in Hanoi and Haiphong, and that the bombing had little or no real military effect."

95

NY TIMES Book Review, 21 Jan 73

The Cairo Documents

The Inside Story of Nasser and His Relationship With World Leaders, Rebels, and Statesmen.
By Mohamed Hassanein Heikal.
Introduction by Edward R. F. Sheehan.
Illustrated. 360 pp. New York: Doubleday & Co. \$10.

By ERIC PACE

Not long after Gamal Abdel Nasser came to power in Cairo, he wrote that "in this region, there is a role wandering aimlessly about in search of an actor to play it." The role to be filled was that of leader, not only of the Arab world, but of the African and Islamic worlds as well, and Nasser suggested Egypt as the likeliest candidate.

These were grandiose words coming from a postal clerk's son who had not got beyond the rank of Colonel in the woebegone Egyptian Army. But then, a lot of things always seemed oversized about Nasser, including his pride. I remember thinking, when I first saw him making a fiery speech in Cairo in 1961, that even his features seemed overscaled: the long nose, the great angular jaw, the smile.

And so Egypt's leader set about being a figure on the international stage and the extent to which he succeeded is richly shown in the pages of "The Cairo Documents." The book is mainly an account of Nasser's dealings with Khrushchev, Chou En-lai, Kennedy, Johnson and other world figures who recognized that the ruler of Egypt did indeed wield influence that went far beyond the banks of the Nile. Its chapters span the era from 1952, when Nasser and

Eric Pace has reported from Cairo and Beirut for The Times. His novel, "Any War Will Do," will be published this spring.

his cohorts overthrew the Egyptian monarchy, until 1970, when he died.

The author, Mohamed Hassanein Heikal, was Nasser's adviser and confidant, and he is in a position to report such things as how, on a visit to Moscow, "when Nasser went to wash his hands ritually before praying, Khrushchev waited on him with a towel. He behaved with great delicacy."

The trouble is that from the Arab standpoint, Heikal shows great delicacy, too. He describes Nasser's very personal style of leadership in fascinating detail, but he does not address himself to certain important but potentially embarrassing questions. And his version of some events seems highly debatable, to say the least, and tailored to reflect favorably on Nasser.

But all this is understandable. After all, Heikal is now a confidant of Anwar el-Sadat, Nasser's successor as President of Egypt. He is also the editor of the Cairo newspaper Al Ahram, which often serves as a sounding board for the views of the Cairo regime. With a veteran propagandist's shrewdness, he presents enough anecdotes, insights and previously unpublished official correspondence to make his book important reading for anyone interested in Egyptian affairs. At the same time he forestalls criticism of his omissions and his partisanship by saying there are important things in Nasser's life "that cannot yet be told for reasons of national security. And I am still too emotionally involved with his memory to be able to write about him in the detached fashion necessary."

In point of fact, Heikal and Nasser were old friends, having met during the Arab-Israeli war of 1948 and cemented their friendship in the fifties. In conversation Heikal used to like to minimize the extent of his influ-

ence over Nasser, but it was sometimes spectacularly evident, notably in determining what visiting journalists were admitted to the Presidential presence.

Accordingly, there is a warm and sometimes irreverent quality to Heikal's writing, as in his story of a Cairo conclave which, he says, Nasser always afterward referred to as the "pee-pee (Continued on Page 12)



On Nasser with affection and discretion

The Cairo Documents

The Inside Story of Nasser and His Relationship With World Leaders, Rebels, and Statesmen.
By Mohamed Hassanein Heikal.

Introduction by
Edward R. F. Sheehan.
Illustrated. 360 pp. New York:
Doubleday & Co. \$10.

By ERIC PACE

Not long after Gamal Abdel Nasser came to power in Cairo, he wrote that "in this region, there is a role wandering aimlessly about in search of an actor to play it." The role to be filled was that of leader, not only of the Arab world, but of the African and Islamic worlds as well, and Nasser suggested Egypt as the likeliest candidate.

These were grandiose words coming from a postal clerk's son who had not got beyond the rank of Colonel in the woebegone Egyptian Army. But then, a lot of things always seemed oversized about Nasser, including his pride. I remember thinking, when I first saw him making a fiery speech in Cairo in 1961, that even his features seemed overscaled: the long nose, the great angular jaw, the smile.

And so Egypt's leader set about being a figure on the international stage and the extent to which he succeeded is richly shown in the pages of "The Cairo Documents." The book is mainly an account of Nasser's dealings with Khrushchev, Chou En-lai, Kennedy, Johnson and other world figures who recognized that the ruler of Egypt did indeed wield influence that went far beyond the banks of the Nile. Its chapters span the era from 1952, when Nasser and his cohorts overthrew the Egyptian monarchy, until 1970, when he died.

The author, Mohamed Hassanein Heikal, was Nasser's adviser and confidant, and he is in a position to report such things as how, on a visit to Moscow, "when Nasser went to wash his hands ritually before praying, Khrushchev waited on him with a towel. He behaved with great delicacy."

The trouble is that from the Arab standpoint, Heikal shows great delicacy, too. He describes Nasser's very personal style of leadership in fascinating detail, but he does not address himself to certain important but potentially

Approved For Release 2001/06/09 : CIA RDP84B0499R0010004-0
And his version of some events

seems highly debatable, to say the least, and tailored to reflect favorably on Nasser.

But all this is understandable. After all, Heikal is now a confidant of Anwar el-Sadat, Nasser's successor as President of Egypt. He is also the editor of the Cairo newspaper Al Ahram, which often serves as a sounding board for the views of the Cairo regime. With a veteran propagandist's shrewdness, he presents enough anecdotes, insights and previously unpublished official correspondence to make his book important reading for anyone interested in Egyptian affairs. At the same time he forestalls criticism of his omissions and his partisanship by saying there are important things in Nasser's life "that cannot yet be told for reasons of national security. And I am still too emotionally involved with his memory to be able to write about him in the detached fashion necessary."

In point of fact, Heikal and Nasser were old friends, having met during the Arab-Israeli war of 1948 and cemented their friendship in the fifties. In conversation Heikal used to like to minimize the extent of his influence over Nasser, but it was sometimes spectacularly evident, notably in determining what visiting journalists were admitted to the Presidential presence.

Accordingly, there is a warm and sometimes irreverent quality to Heikal's writing, as in his story of a Cairo conclave which, he says, Nasser always afterward referred to as the "pee-pee discussion." It was held in 1954, when Washington proposed linking Egypt and Jordan by a roadway running past the Israeli port of Elath on the Gulf of Aqaba. An overpass was to carry the Israeli road and its Arab traffic across the Israeli road leading to Elath, Heikal reports, and "the United States Army, the C.I.A., and the State Department produced dozens of detailed engineering drawings . . . Nasser . . . examined them with interest and then destroyed the whole scheme."

Nasser said, "'Suppose an Arab was on the overpass one day and felt the call of nature and it landed on an Israeli car on the underpass . . . What would happen? There would be war.'"

Nasser's judgment of other world leaders was sometimes earthy too. He despised Anthony Eden, the British Prime Minister of 1956, and Heikal says, "it

was our impression that Eden wanted Nasser's head if only to please" his "lean and fashionable" wife, Clarissa. "We were told that she was furious about the attacks on her husband in the Tory party as 'a man of straw' and that it was her dream that he should prove himself."

Heikal says Nasser "admired Kennedy for the way in which he used university professors in his Government. Walt Rostow made a special impact on the President [Nasser] in a book which I gave him called 'The Stages of Economic Growth.' Nasser ordered this book to be translated and distributed to every member of the Cabinet."

Despite Khrushchev's towel-wielding, Nasser's relations with the Russians had their ups and downs, partly because of interpreters' errors. During one meeting, we are told, Khrushchev terrified an inept interpreter by telling Nasser, "if he makes a mistake . . . we must make him into a piece of soap."

The book does not give us a clear idea of how Nasser developed as a man and a leader in the course of his dealings with foreign regimes. It leaves out Egyptian domestic problems, and it is disappointingly brief in its account of the events leading to the 1967 war. At the start of the conflict, for instance, Field Marshal Abdel Hakim Amer, the Egyptian military commander, "landed at Cairo International Airport to find that . . . nobody was there. He took a taxi and drove to the High Command's headquarters." Yet Heikal claims that before the war broke out, Nasser "saw defeat coming. He foresaw that the Israelis would start the war by striking at Egypt's airfields." Nasser "warned the Air Force to be on their guard," Heikal claims, but if he really did see "defeat coming," why didn't he take stronger measures — at least to make sure the Air Force was alert? Heikal does not address himself to that.

And for that matter, why did Al Ahram say on May 27, 1967, as tension mounted in the Middle East, that time was on the Egyptians' side? "If Israel is going to take any military action

Eric Pace has reported from Cairo and Beirut for The Times. His novel, "Any War Will Do," will be published this spring.

Continued

to face Arab defiance," it added, "the proper time is now."

When that issue of Al Ahram came out in Cairo, I remember thinking that its logic was persuasive, and that it seemed unwise for Heikal's paper to taunt Israel. A few days later, of course, Israel did indeed strike, and I have never seen that passage quoted since then by Heikal or another Arab writer.

In other parts of "The Cairo Documents," Heikal's version of events conflicts with that of non-Egyptian experts. His accounts of talks between Nasser and Dag Hammarskjold, for instance, differ from the accounts given in the new biography, "Hammarskjold," by Brian Urquhart, an assistant secretary general of the United Nations. Heikal says that when Hammarskjold visited Nasser in June, 1958 to discuss a crisis in Lebanon, Hammarskjold "pleaded with Nasser with one of his favorite maxims: 'Let us have less hot and more cold.'" Yet Urquhart, who worked with Hammarskjold and has had access to his private papers, says that—far from pleading — Hammarskjold told Nasser bluntly that Egypt had overplayed its hand badly in Lebanon and had to change its course quickly. Military infiltration must stop.

Or take Heikal's report that the C.I.A. passed a "special fund" of \$3-million to Gen. Mohammed Naguib, Nasser's predecessor as President. "The money had been handed over by an American agent in a big bag stuffed with \$100-dollar bills. It was actually given to an officer in the Egyptian Intelligence Service who acted as a liaison man . . . the Egyptian officer took the bag to General Naguib's office. . . . When Nasser heard this, he was fu-

rious."

But Miles Copeland, an American writer who lives in London, wrote in the Book Review of Aug. 6, 1972, that he was the American who handed over the \$3-million in question, and that it was not for Naguib but for Nasser, as a "present from the White House." In his 1969 book "The Game of Nations," Copeland reported that soon "after getting Nasser's personal assurance that the secret \$3,000,000 was indeed acceptable . . . I was bumping over the country road" bringing "two suitcases containing \$3,000,000 in cash" to a Nasser aide named Hassan Touhami. "We solemnly counted the money, twice, to find that there was only \$2,999,990," writes Copeland. "Hassan's only comment was, 'We won't fuss about the missing ten dollars,' whereupon he . . . climbed into a large Mercedes and headed for Nasser's residence."

Who is telling the truth here? Who knows. Copeland's account was first published, in England, three years ago, but Heikal does not address himself to the questions it raises.

And speaking of questions: Why didn't Doubleday & Co. equip this 360-page book with an index? □

FOR PUBLIC AFFAIRS STAFF

PROGRAM	Jack Anderson Syndicated	STATION	WAVA Radio
DATE	January 18, 1973	5:05 P.M.	CITY
			Washington, D.C.

CIA REPORT ON CHINESE MISSILES

JACK ANDERSON: Have American scientists discovered how to stop the Chinese missile attack? I'll have an exclusive report in a minute.

This is Jack Anderson in Washington.

*

*

*

The Central Intelligence Agency has reported that China is on the verge of becoming a super power in intercontinental missiles. The outgoing CIA director, Richard Helms, told the Senate Armed Services Committee recently behind closed doors that he was shocked to find out how close China is to super power status in the missile field.

But we've learned that the Chinese missiles may not be as ominous as the CIA has led senators to believe. U.S. scientists have discovered a defense against Chinese warheads. The CIA obtained samples of the metal the Chinese use in their warheads. Our nuclear experts then constructed duplicates of the Chinese warheads. These were detonated underground in Nevada with x-rays from another nuclear explosion. The results indicate that the U.S. should be able to throw up an x-ray screen and explode oncoming Chinese warheads in outer space. The x-ray screen doesn't work against Soviet warheads, which are made of harder metals.

We also have reports that the Soviets have made the same discovery. So the Soviets, too, may soon be able to nullify the threat of a nuclear missile attack from China.

STATOHR

CLEVELAND, OHIO
PRESS

E - 393,191

3/11/73

Saxbe says CIA learned Nixon's bombing failed

By JAMES GROHL
Press Washington Writer

WASHINGTON — Sen. William B. Saxbe says he

has been told by the head of the Central Intelligence Agency (CIA) that U.S. bombing of Hanoi was not successful militarily and did not prompt the return of the North Vietnamese to the Paris peace talks.

In a news conference yesterday, the Ohio Republican said he received that assessment from Richard Helms, CIA director.

Saxbe also said he doubted that the Senate would be consulted by President Nixon on terms of any agreement reached with the North Vietnamese in Paris.

THE PRESIDENT, Saxbe said, has assumed a "De Gaulle attitude that will not permit him to consult anybody." As for any future peace accord, Saxbe said he did not believe the North Vietnamese live up to any commitment they make.

"The most we can hope for is to get our prisoners and get out, and that has been the situation for three years."

The only hope, Saxbe said, for peace in South Vietnam, would be for Russia and China to agree to stop providing arms and equipment to the north.

DURING THE news conference Saxbe introduced James A. Duerk, his new

press secretary. Duerk previously had his own public relations firm in Columbus and had among his clients former Gov. James A. Rhodes and the Ohio Republican Party.

Saxbe cautioned against attaching any significance to his hiring of Duerk, who is one of Rhodes' principal advisers. As for Rhodes' announced candidacy for governor, Saxbe said he would probably be a formidable candidate. There has been speculation that Saxbe might want to run.

But Saxbe said, "I don't think I'd want to be a candidate against anybody."

HS/HC- 950

Wilson: No US SPY at Chequers

MR HAROLD WILSON said yesterday that there was no United States spy at Chequers when he met the Soviet Prime Minister, Mr Kosygin, there in 1967.

He was denying an allegation in reports of the "Pentagon Papers" trial in Los Angeles that an American agent was concealed at Chequers during secret talks on Vietnam.

Mr Wilson said President Johnson's special representative, Mr Chet Cooper, was not in a position to know what was said between Mr Kosygin and himself, and had not received drafts of documents.

He also denied that a telephone call between Mr Kosygin and Soviet Communist Party leader, Mr Brezhnev, was tapped by British intelligence agents.

Mr Wilson's statement said: "I have seen reports of statements said to have been made in an American court about the visit of Prime Minister Kosygin to Britain in February 1967.

Among other assertions were the suggestions that "Mr Kosygin was spied on at Chequers," that "an American agent was concealed at Chequers" during the negotiations, that—according to the testimony of an American general—"Mr Cooper sat in a back room and worked on the drafts that were submitted to the co-chairman."

There is also the suggestion that Mr Kosygin was unaware that I was in touch with the White House. Whether these

are the correct representations of the Pentagon documents which are the subject of the case is for the court to decide. They are a totally incorrect version of what happened.

The two facts are on the record. They were set out on page 361 of my book, "The Labour Government 1964-1970"

There was no spy at Chequers. Mr Chet Cooper, the President's special representative, was not in a position to know what was being said between Mr Kosygin and myself. There were no drafts for him or anyone else to work on.

It is public knowledge that following the breakdown on the Friday I had sent to the President on the Sunday in question my suggestions for breaking the impasse.

The President called a meeting of his advisers to consider the proposals, and decide on their definitive policy about an extension of the ceasefire due to end the following morning.

In view of the urgency and the time factor, Mr Cooper was at Chequers specifically to keep in direct telephone touch with the White House so that I could communicate to Mr Kosygin any decision the President made.

Mr Kosygin was fully aware that I was in direct touch with the President all the week.

As for a further reference in the evidence to allegations of British Secret Service tapping of a talk in or near Moscow between Mr Kosygin and Mr Brezhnev, it is not true.

KANSAS CITY, MO.
TIMES

M - 334,249

JAN 20 1973

Books of the Day

Inside the Intelligence Establishment

THE SUBVERTERS, by J. Bernard Hutton (266 pages; Arlington House; \$7.95).

By H. G. Summers, Jr.

Books on intelligence seem invariably to fall into two categories—the John LeCarre prosaic, mundane, workaday version, or the James Bond exciting, conspiratorial, cloak-and-dagger version. Two recent books are no exception.

In "C.I.A. the Myth & the Madness," Patrick J. McGarvey, a 14-year veteran of military intelligence, has written an excellent inside account of the actual mechanisms of the United States Intelligence Community. It is not lurid, there are no sensational exposés, and his prose is rather dull, but the picture he paints—to those familiar with the inner workings of government—is far more deadly than any exciting spy story. No one who has worked with Intelligence at the national levels can fail to appreciate the insights and descriptions that McGarvey provides. Take, for example, his description of the Defense Intelligence Agency in the Pentagon:

"The Pentagon is in a constant frenzy of activity. Every project is done on a crash basis. The answers to tough problems are wanted 'yesterday,' not today, not after adequate study has been done, but instantly....

"The shortness of the tours of the military managers of the agency (about nine-tenths of management jobs are filled by military officers) causes some long-term problems. These officers are interested in getting good performance

C.I.A. THE MYTH & THE MADNESS, by Patrick J. McGarvey (240 pages; Saturday Review; \$6.95).

out of the staff while they are there, not in building up long-run staff or agency capabilities.... Basic intelligence for detailed studies is simply not getting done or is whipped out with a weekend's furious overtime....

"Another problem is the 'can do' attitude that prevails among the officer corps. It is unthinkable for an officer to tell his superior that he cannot complete a task. It is a form of heresy.... 'Yes, sir, can do' results in an attitude among DIA staffers that is captured in their motto: 'If you want it real bad, you're gonna get it real bad.'"

Nothing here very conspiratorial, nothing very exciting. Yet in these dull organizational details lies the heart of our problems. It is not Machiavelli but instead C. Northcote Parkinson who could serve as the guru for the Intelligence Community. With apologies to Robert Townsend, McGarvey's book could better have been titled, "Up the Intelligence Organization." It is must reading for anyone who is concerned with what is *really* wrong with our intelligence organization. As McGarvey says in his introduction:

"One of my reasons for writing this book is to shed some light on the most damaging, persistent myth afoot today about the CIA—that it is an efficient, well-run machine capable of almost any act of trickery or intrigue. An honest portrayal of what intelligence

is all about must conclude that the CIA is an insufferable bureaucratic morass with little or no central direction, needing drastic change...."

Meanwhile, in "The Subverters" J. Bernard Hutton (according to the jacket blurb) "reveals the Communist plot to subvert the West and spells out, for the first time, the actual techniques being used right now."

Hutton, a former Czech Communist official now living in Great Britain, sets out to prove that all the ills of today's world—the problems in Northern Ireland, the black power movement in the United States, the worldwide drug problem—are all caused by a small band of highly trained "subverters." This "Red Fifth Column" is so powerful, so pervasive that it threatens the very existence of the free world.

It would be nice to believe Hutton—to sit back and relax and blame all our problems on these evil conspirators. It would be nice, but it would

also be naive. While there is no doubt that the Soviet Union and Communist China delight in our problems—one only has to read their press to appreciate this—it is fanciful to assume that any band of "subverters" could cause the problems facing the Western world. It's just not that simple.

The Soviet intelligence service—the KGB—like its American counterpart, is not 10 feet tall. They, like us, are more than likely so bound up in their own red tape—including additional layers of ideological red tape—that they would do well to keep their own house in order. The recent British Soviet spy scandal reveals that they are far from infallible.

John LeCarre or James Bond, reality or fantasy, McGarvey or Hutton—with these two books, the choice is yours.

H. G. Summers, a frequent contributor to *The Star*, is a former U.S. Army intelligence officer.

The question of Cambodia before and after

My War with
the C.I.A.

By Norodom Sihanouk
and Wilfred Burchett

(Allen Lane, *The Penguin Press*,
£1.60; *Penguin paperback*, 50p)

Whatever happens in Cambodia
after the ceasefire in Vietnam,
the revelations of what went be-
fore make curious reading.
Prince Sihanouk, who was over-
thrown as head of state in Cam-
bodia in March, 1970, makes no
bones of the fact that Viet Cong
and Vietminh troops and sup-
plies were on Cambodian soil
for years before that.

Any mention of this abroad
during those years drew hot
denials. In 1968 and 1969 *The
Times* printed three letters from
the Chargé d'Affaires at the
Cambodian Embassy in London
saying that such allegations were
"baseless" and a "slander".
Prince Sihanouk, in his story as
related to Wilfred Burchett, a
sympathetic Australian journal-
nist, says that these forces "did
us no harm", and "for years we
had officially winked at their
presence".

The buoyant Prince's hatred
of the United States, and parti-
cularly of the CIA which he
blames for his misfortunes,
stands out nakedly. So does his
resentment of the Soviet Union,
which, he says, still recognizes
the government that overthrew
him and sends medical and sur-
gical equipment for the men
whom he is fighting. Sihanouk
formed a rival "government" in
Peking.

The question who will be
master in Cambodia now is more
crucial than ever. Prince
Sihanouk claims that by Sep-
tember, 1971, his resistance
forces were administering four-
fifths of the country, and the
only reason they did not
"strangle" Phnom Penh was
that they did not want their com-
patriots to starve. Now he says
he will fight on; a climax one
way or the other should be at
hand.

Jerome Caminada

ERS/HC- 950

Strike by Pilots for the C.I.A. In Laos Is Reportedly Averted

Special to The New York Times

VIENTIANE, Laos, Jan. 23.—A strike by airline pilots in Laos that would have severely impaired support of anti-Communist forces fighting there has apparently been averted.

The dispute involves Air America, a quasimilitary airline used by the United States Central Intelligence Agency in Laos to supply irregular troops, many of whom depend on parachuted or airlifted supplies.

A company spokesman said tonight that the pilots involved in Laotian operations had been ordered by their union organizer to call off the walkout, that had been scheduled to begin tonight at midnight.

The dispute apparently remained unsettled, but the local chapter of the Airline Pilots Association reportedly decided against a walkout at this time.

The spokesman said he did not know whether the strike would go into effect in the other areas of Asia where Air America operates, such as Taiwan, Japan, Thailand, Okinawa and South Vietnam.

In Laos, Air America oper-

ates 31 planes and 35 helicopters. It has 112 pilots stationed here, nearly all of them American citizens under contract to the company.

The pilots are seeking higher salaries and other benefits.

The airline also has six planes based at the nearby Udon Thani base in Thailand, including two C-130 transports, that are sometimes used in Laotian operations.

The United States withdrew direct military air and advisory support from Laos after the Geneva agreement of 1962, which theoretically ended the war here and neutralized the country.

But as the war expanded, the C.I.A. took over many of the functions normally assigned to military units, including, in some cases, the direct command of Laotian irregular units.

Laos is sparsely populated, mountainous, and has few roads or navigable waterways. During the fighting in the interior, especially near the Plaine des Jarres and toward the North Vietnamese frontier, units can be supplied only by air.

HS/HC- 950

Mr Kosygin spied on at Chequers, court told

Los Angeles, Jan 26.—The British Government concealed an American agent at Chequers during secret negotiations to end the Vietnam war between Mr Harold Wilson and Mr Alexei Kosygin, the Soviet Prime Minister, in 1967, it was said in the Pentagon papers trial here today.

The British also intercepted a private telephone call between Mr Kosygin and Mr Leonid Brezhnev, the Soviet Communist Party leader, in Moscow, the court was told.

The story of the Chequers meeting emerged as four volumes of the papers known as the "negotiation volumes" were made public for the first time during the trial of Daniel Ellsberg, aged 41, and another worker at the Rand Institute, Anthony Russo.

Brigadier-General Paul Gorman, giving evidence on the effect of the leaking of the papers, said: "This is documentary evidence from a high-level American source that the British operated throughout that summit meeting hand in glove with the United States to the extent that Mr Cooper (the agent) sat in a back room and worked on the drafts that were submitted to the co-chairman."

General Gorman identified "Cooper" as "Chester Cooper, a United States official".

General Gorman said: "The information that telephone calls between top officials of the Soviet Union had been intercepted could, in 1969, have led to a change of communications procedures which would deny the British access to similar information." He said that the intercepted telephone call was between Mr Kosygin and Mr Brezhnev.

The Pentagon papers quoted Mr Kosygin as saying: "There is a great possibility of achieving the aim if the Vietnamese will understand the present situation that we have passed to them and that they will have to decide. All they need to do is to give a confidential declaration."

The "negotiation volumes" were part of the 18-volume study Mr Ellsberg and Mr Russo are accused of stealing

incomplete as received

Fruit of his Errors

The Cairo Documents

by Mohamed Hassanein Heikal

(Doubleday; \$10)

Nasser, like the man whom he despised the most, Anthony Eden, is a classical example of why a clean bill of health should be required of any head of government. Heikal, editor of the frequently quoted Cairo daily, the "semi-official *Al Ahram*," makes it obvious, though he does not put it so inelegantly, that Nasser's rule in the '60s was first and foremost the rule of a diabetic. Heikal is an Egyptian cross between Kissinger and Boswell; he remains, the reader senses, puzzled by some of the things that Nasser said and did in his more and more impulsive moods, but feels perhaps that it would be undignified to suggest that the naive, honest, ascetic hero of modern Arab history was finally too emotionally diminished to govern Egypt. (On the other hand, one significant factor in this book is just how many leading players in the Mideast crisis thought that their colleagues or opponents were demented. Dulles is quoted as finding Eden "a little mad," while Khrushchev found Dulles a "mad monk.")

The documents referred to in Heikal's title are letters to and from Nasser—missives exchanged with Johnson, Kennedy, Khrushchev, Nehru, Hammarskjöld and others. The book is full of little Nasserian insights into these and others whom Nasser met at length—Tito, Eden, Sukarno, Nkrumah, Che Guevara. But mostly the book is a chronicle of Nasser's early victories and later defeats, the fruit of his transparent errors.

Historically, the importance of Nasser's errors were the uses Israel made of them. Many turns of history still remain unclear: there are now a dozen interpretations of most of the major events in the Middle East since 1950. The only universally accepted fact seems to be that Eden was a nincompoop. But it is clear, even from this slightly gung-ho Egyptian account, that Israel has always kept the initiative. When war broke out, it was often because of things that the Arabs

history, the temptation for historians will be to attribute Nasser's volatility to his asceticism. He had the attitude to personal wealth of a Ralph Nader. He hated uniforms and protocol. His principal meal was cottage cheese and unleavened bread. Yet Nasser, although a revolutionary, was no insensitive Almoravid. He saw the pan-Arab dream as his hero, Bismarck, saw the pan-German dream. He failed to see that it had been the preposterous birth of Israel, not his revolution, that had given the Arabs the limited unity they had.

Heikal is an advocate, not a judge, but on some points he cannot honestly be faulted. Nasser, at least originally, hated war. As Heikal notes, he raised the fedayin as a response to Israel's parcel bombs and other terror, notably the "Lavon affair" (which Heikal blames on Ben Gurion, not Lavon). Heikal also reports fairly on other people's well-meaning "solutions" to the Mideast problem. The US, it appears, at one point proposed sharing the Negev between Jordan and Egypt, with a linking road: an Israeli road would pass underneath it on its way to Eilat, which would have remained Israeli. Proposals like this were hardly the "help" the Arabs sought.

As Nasser's one-time special envoy to Washington, Anwar as-Sadat, put it then, all the "aid" that Egypt really wanted from Washington was "understanding." But no one made much attempt to understand anyone else. Dulles, while doubting Eden's emotional stability, basically accepted Eden's Etonian analysis of a sassy Wog. Nasser in turn misunderstood most Americans at the highest level—especially Johnson—while enjoying those from the CIA and the embassy. The British believed that Nasser had engineered the dismissal of General Glubb, the English commander of Jordan's Arab Legion—while Nasser thought the British had shoe-horned Glubb out themselves, to save

of Nasser's recognition of Peking) had been planned in advance at a Baghdad Pact meeting that March. Notes of this parley apparently reached Nasser from Iraqi sources in April.

Nasser and his Washington ambassador, Ahmed Hussein, publicly accepted the West's terms for continued aid; but Lincoln White, at the State Department, was announcing Dulles' cancellation of aid just as Hussein and Dulles were sitting down to talk in another room. In return for this, Nasser nationalized Suez—perhaps his least morally defensible and silliest act. (Earlier he had written Nehru approving internationalization of the waterway.)

Sources in Malta and Cyprus and at Baghdad Pact offices in Iraq kept Nasser informed of Anglo-French plans for the Suez war. Even the CIA fed information on General Keightley's invasion preparations and of "how Eden's health is affecting his judgment"—Dulles' words. Nasser decided that Eden was "a velvet fist in an iron glove." At the UN, the US threw its vote against Britain, France and Israel: Nasser made sure that when pipelines were blown up in Syria, American lines should not be touched.

One reason Heikal is tolerant of the declining Nasser is that he never shared his master's passivity. He relates with intemperate pleasure two different deaths for Premier Nuri Said of Iraq. But Heikal's was another view which Nasser needed, just as he needed the Levantine guile of his foreign minister Mahmoud Fawzi, who carefully avoided being for or against the President's controversial decisions. On the whole, like Khrushchev, Fawzi and Heikal were moderating influences.

Symbolic of Nasser's decline were his quarrels with old friends like Tito and especially Hammarskjöld, whose Congo policy Nasser found too evenhanded. Nasser's mistakes in the Congo were among those that paved the way for Mobutu's right-wing dictatorship. When the US and Belgium rescued hostages from Stanleyville in 1964, Nasser failed to see a noble corollary between this and Arab support for Palestinians, and allowed a mob to burn the US library in Cairo. He refused to apologize when one of his triggerhappy MIGs shot down an unarmed US oil company plane. Sensitive to insults himself, he called Johnson a "cowboy."

But unlike Anthony Nutting in a recent book, Heikal does not blame Nasser's triggering of the Six-Day War on Israeli cleverness. He relates the familiar argument that Nasser only wanted certain UN posts deactivated. Ralph Bunche decided—presumably on the advice of Brigadier Indarjit Rikhye—that it was all or nothing. U Thant agreed. Nasser, a colonel, should have understood why: but he apparently lacked the moral courage to back down. The whole UN force was withdrawn—and Israel went in, in its place.

First, the Israelis "informed" Washington that the Egyptians would invade at dawn on May 27, 1967. Washington asked Moscow to pressure Egypt. Nasser persuaded the Russians that the "invasion" report was baseless, publicly announced that Egypt "would not fire the first shot"—then made his saberrattling speeches to his pilots and the world. Many Egyptians wanted war and did their best to keep mediators, like the Americans, at bay. Nasser left friends, but no evidence, to testify that he did not want war at all.

The last years were a festival of over-reactions—arresting his guest, Premier Moise Tshombe of the Congo, in 1964, rejecting Nahum Goldmann out of hand in 1968, responding to Bonn's objections to Walter Ulbricht's Cairo convalescence by making it an "official" visit. The loss of Nehru's sobering influence was capital. Nehru had wanted to bring the Jews and Muslims together: told that the impediment was the existence of a million Palestinian refugees, he said partition, in 1947, had given India 16 million refugees.

Nasser never got along quite so well with his other Asian adviser, Chou En-lai. Chou told him to put "brigades" of guerrillas into the Sinai to "live with the people." Nasser was understandably startled. Earlier (in June 1965), Chou had told Nasser that he wanted the US to escalate in Vietnam, where US forces would be China's "hostages," amenable to China's plans to demoralize the US Army with opium. Nasser was puritanically shocked on both counts.

Balancing Moscow and China was, of course, never easy. Khrushchev told Nasser that Mao was an opportunist who had left it to Chiang Kai-shek to fight the Japanese. But Peking clearly saw Cairo as being special: its ambassador

recalled during the Cultural Revolution.

Heikal's book is timely, titillating and as true as anyone dared expect. Now the Middle East looms once more as the main world crisis, the confrontation area between China and the West. Egypt and Jordan seem prepared to settle for a return of their lands—in exchange, it's thought, for free navigation in the Suez Canal and internationally policed demilitarization of key frontier zones. If Israel seizes the opportunity, the Palestinians would be left with little more than Syrian support. Would Nasser, had he lived, have offered such a deal to Israel, over the Palestinians' heads? Heikal, one surmises, would have pressed him to. But Nasser probably would have felt compelled to fight on for justice—and a later generation might have blamed him for another defeat. *In fine*, what use, if any, is a good man in politics, especially when he suffers from diabetically induced bouts of "nervous exhaustion." Nasser found, like Kaunda and Nyerere, that there could only be one Gandhi.

Top Military, CIA Experts Differ Over Bombing's Effectiveness

By SAUL FRIEDMAN
Herald Washington Bureau

WASHINGTON — There is deep disagreement in the Pentagon and top intelligence circles over the military effect of the 11-day bombing of Hanoi and Haiphong in December.

Adm. Thomas H. Moorer, chairman of the Joint Chiefs of Staff, told the House Appropriations Committee Tuesday that the raids were "very effective" in reducing North Vietnam's "war-making potential."

But congressional sources close to the Pentagon and the Central Intelligence Agency say other assessments contradict Moorer's report.

And one congressman noting Moorer's admission that he was not consulted before the President ordered the bombing, said: "If the President didn't explore the military ramifications of his actions before he took them, it would suggest that there were other than military reasons for the bombing."

OUTGOING Central Intelligence Agency director Richard Helms, it was learned, has told members of Congress that the bombing did "relatively little damage" to North Vietnam's war-making potential.

One congressman added: "The bombing wasn't supposed to have much effect, militarily, although it did cause rather minor disruption."

"Within days after the bombing they replaced railroad lines and bridges or found other ways of importing war materiel and transporting it to combat areas," he said.

The congressional source in possession of information from the Pentagon and intelligence sources rejected the rationale Moorer gave for bombing Hanoi and Haiphong at this stage in the war.



Adm. Moorer
... 'very effective'

Richard Helms
... 'little damage'

that the North Vietnamese had engaged in a new supply build-up while negotiations were taking place from late October to mid-December.

BUT THE congressman, who did not want to be quoted by name, noted that the U.S. carried on unrestricted bombing against military targets in North Vietnam from May 8 (when the President announced the blockade and mining of North Vietnamese harbors) through Oct. 23, when bombing was ceased north of the 20th Parallel amid negotiations and speculation of an impending peace agreement.

The heavy bombing then resumed on Dec. 18, after the breakdown of the agreement, and targets included populated areas of Hanoi and Haiphong.

"It is ridiculous to believe that after five months of bombing, the North Vietnamese were able to accomplish the kind of buildup in two months that only 11 days of bombing could stop," the congressman said.

CARL T. ROWAN

Too Many CIA Men in America's Embassies

My travels in the Far East and Latin America in 1972 have alerted me to a little-known but deeply-disturbing aspect of the State Department's decline in the conduct of foreign policy.

In country after country, foreign service personnel complained to me that "the intelligence agencies are sneaking more and more of their men into what on the surface appear to be State Department slots."

"We'll soon be just like the Russians, who scatter KGB agents into the highest and lowest posts in their embassies," one high ranking Foreign Service officer said. "It seems that every month the CIA is pressing to ease another of its men in as a political officer, or economic officer."

The Russians long have had a reputation for making their embassies mostly cloak-and-dagger operations.

All countries have long given their agents and slick

operatives the respectable cover of diplomatic assignments, except for those under such "deep cover" that they are in pursuits totally removed from any official government agency. But the United States has been pretty circumspect about the extent to which it permitted intelligence operators to penetrate the entire foreign establishment.

As first director of the Peace Corps, R. Sargent Shriver got presidential backing for a rigid prohibition against using Corps volunteers as intelligence agents.

When I became director of the U.S. Information Agency one of the first messages I sent to the field asserted that any employee found working for CIA who could not produce an authorization signed by me would be automatically fired—and none had such an authorization.

The idea was that it was not in our national interests to have foreigners feel that our

Peace Corps teachers were Mata Hari, or that our cultural and information programs bore the taint of espionage.

All the evidence I saw indicated that the CIA respected and honored that viewpoint.

I heard nothing to indicate that the Peace Corps or USIA policies now differ.

But the complaints and expressions of deep concern that I have heard on two continents indicate that some disturbing changes are occurring where the State Department is concerned.

First, the department has suffered as a result of budgetary strictures imposed by this administration. In the November Department of State Newsletter, William O. Hall, director general of the Foreign Service, noted that budget problems "have sharply reduced political positions. As a result, promotions of political officers have been considerably reduced."

"The political positions we

lose are quickly taken over by CIA," complained one senior Foreign Service officer. "They take over under default because they get the money to hire the people and we don't."

One danger is that the more we operate like the Russians and the KGB, the more vulnerable the United States becomes to emotional charges like the one made recently by Mrs. Indira Gandhi, the president of India, about alleged but unspecified undesirable CIA activities in her country.

Then there is the matter of reporting back to Washington the information and analyses on which the President decides whether or not to bomb, give military aid, lower a trade barrier, support one political group. He needs an input from both the diplomats and the intelligence services, but the whole nation will benefit in the long run if we keep the functions separate so that our leaders know who is recommending what, and from what background.

6 JAN 1973

Tom Braden

CIA Housecleaning: The Cold War Is Over

HISTORY has a way of punctuating itself without benefit of manifesto. Neither White House nor Kremlin has proclaimed that the cold war is over. Yet the departure of Richard Helms as director of the Central Intelligence Agency and the appointment of James R. Schlesinger to succeed him is a kind of period, ending an era as clearly as though Winston Churchill had come back to Fulton to revise his famous speech about the Iron Curtain.

Helms is the last of the bright young men whom Allen Dulles assembled from wartime OSS and from Wall Street law offices to help him turn the CIA into the citadel of the cold war.

Dulles is dead. So is Frank Wisner, his hard-driving and inventive assistant. So is the one-time number-three man, Tracy Barnes, tall, blond, handsome and having about him the aura of mystique as the man whom Dulles had personally chosen to parachute into Italy with surrender terms for Kesselring. So is that charming young man of feline intelligence, Desinond Fitzgerald, who once had the courage and foresight to tell Robert McNamara that the army would fail in Vietnam.

SO THE BRILLIANT and the best are gone. It is said that now the President wants someone to clean house over at "the firm," as the cold warriors from Wall St. once referred to their place of business. It is a worthwhile project. Like all bureaucracies, the one that Dulles built tended to go on doing whatever he had given it permission to do long after the need was a memory.

The 1966 "scandal" about CIA's infiltration of student and cultural groups and its use of labor unions, for example, was only a "scandal" because the activities then being conducted seemed so out of date. It was a though Americans had awakened in 1955 to the startling news that some World War II division left on say the Moselle River in inexplicable ignorance of time suddenly attacked eastward.

There were so many CIA projects at the height of the cold war that it was almost impossible for a man to keep

them in balance. The dollars were numerous, too, and so were the people who could be hired.

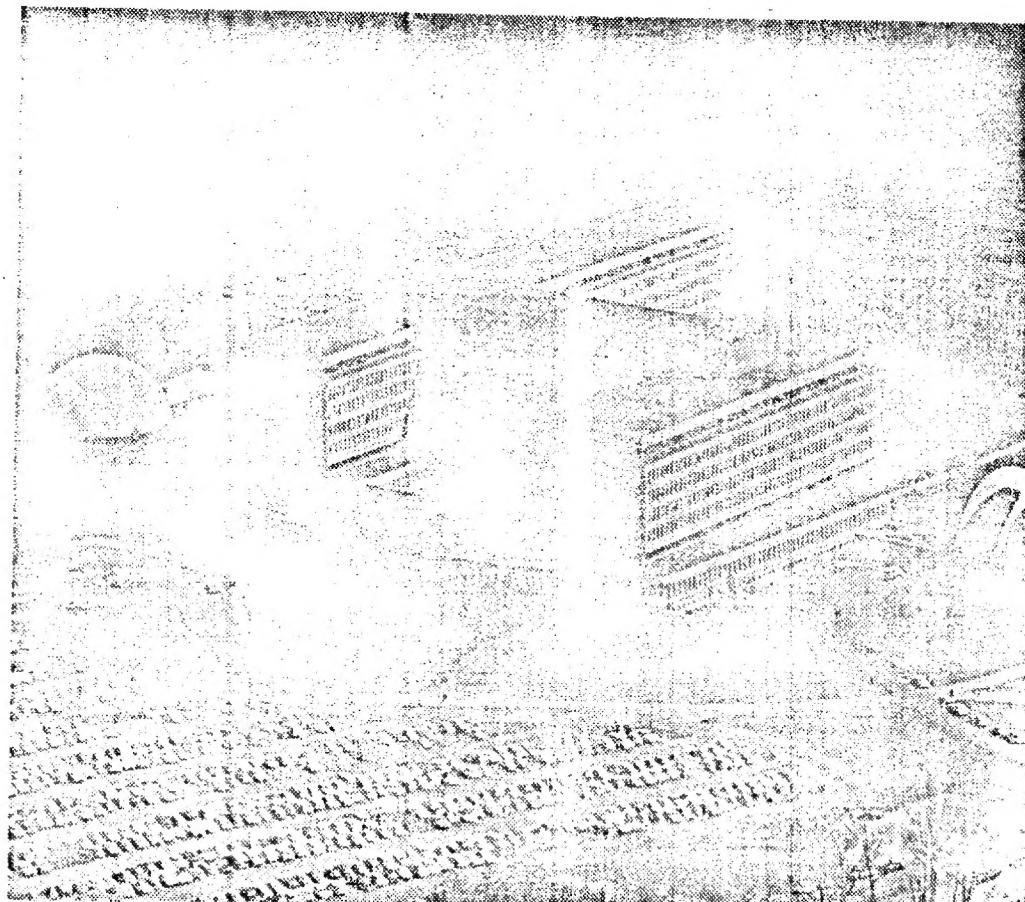
People in government tend to stay on, and CIA had its fair share of stayers left over from some forgotten project or deserted by a bureau chief who didn't get what he wanted and left his recruits to founder for other desks.

There were all those college boys whom the agency hired during Korea, trained as paratroops and guerrillas and then shoved into tents because Gen. MacArthur wouldn't let them into his theater. The same morale problem existed for them as did later for the Cuban exiles awaiting the Bay of Pigs. Some of them departed in

peace, but some are still around, like the Bay of Pigs men who so embarrassed Richard Nixon during the last campaign.

So I am not against a housecleaning. The times have changed, and in some ways they now more nearly approximate the time when CIA was born. The need then was for intelligence only. Josef Stalin's decision to attempt conquest of Western Europe by manipulation, the use of fronts and the purchasing of loyalty turned the agency into a house of dirty tricks. It was necessary. Ahsolutely necessary, in my view, But it lasted long after the necessity was gone.

© 1973, Los Angeles Times



THE WASHINGTON POST

Wednesday, Jan. 3, 1973

R 9

'Our Side Good'

THE CHAMPAGNE SPY: Israel's Master Spy Tells His Story. By Wolfgang Lotz.

(St. Martin's, 240 pp. \$6.95)

*Reviewed by
Miles Copeland.*

The reviewer, the author of "The Game of Nations," is a corporate consultant on security matters in the Mid-east.

For forming judgments of persons uncovered as spies, I recommend the Copeland

Rule: "Our side good; other side bad." By application of this simple vernier even the subtlest and most stubborn cases yield to moral analysis.

Take, for example, the case of "Kim" Philby, the British intelligence officer who turned out to be a Soviet spy. He was "vain, cruel, contemptuous to the point of being psychopathic," to borrow the words of a former friend. And the case of "Mickey" Goleniewski, the Polish intelligence officer who turned out to be an American spy. He "put loyalty to principle above all other loyalties," and, "at great personal sacrifice and risk he served those whom he believed to be most capable of fighting what was evil in his country." (The first quote is from a review of Philby's autobiography by Cyril Connolly which appeared in 1968 in The Sunday Times of London; the second two quotes are from an editorial appearing in the same paper six years earlier.)

This is not to say that we admit to having spies in foreign countries. We occasionally catch Soviet spies in our own country, and we deal with them in a manner befitting persons so traitorous and low. In retaliation, the Soviets trump up evidence on innocent people in their country and charge them with spying for the CIA. The same happens in the Arab-Israeli cold war. The Arabs send spies into Israel, and they are

See BOOKS, B8, Col. 1

HS/HC- 950

'Other Side Bad'

BOOKS, From B1

promptly caught by the Israeli security service, acknowledged to be one of the most efficient in the world. In retaliation, one or another of the Arab governments trumps up charges on an equivalent number of "Israeli spies" alleged to be operating inside its borders. As the exchange is reported in the press of the world, quotes are used around the phrase, "Israeli spies"; they are omitted when the spy-catching is the other way around.

To be truly useful, the Copeland Rule must be applied with particular vigor when our side produces literature which throws doubt on its innocence. (When I say "our side" I include the Israelis, because of general adherence in our country to quite a different Rule: "Israel good; Arabs bad.") Whenever an Arab government trumps up charges against "Israeli agents" some authoritative voice is likely to undermine our righteous fury by suggesting that the Israelis have one of the finest intelligence services in the world, or by revealing that they have information which could only have come from espionage sources. Indeed, during one of the kangaroo court trials of "Israeli spies" held by the Iraqis, the Israelis unblushingly used information coming from their real spies in Iraq to prove to the world that those on trial were innocent. And after protesting for years the innocence of persons hanged or in jail for spying against the Syrian and Egyptian governments, the Israelis now allow the publication of books which show that their intelligence service has had some of the most effective spies of modern history at work in those two countries. But such contradictions only increase the usefulness of the Copeland Rule.

To understand this admittedly subtle point, one must understand that most modern intelligence services have all but abandoned the use of their own nationals

ample, if the CIA wishes to penetrate the Soviet government it must employ agents

with access to it—Soviet citizens, in other words, with whatever it takes to get the appropriate Soviet security clearances. And the same goes, the other way around, for KGB if it wishes to penetrate the United States government. Thus, with modern security controls being what they are, an espionage agent is by definition a traitor to his country. And if he is to be an effective espionage agent, he must also betray his friends and associates.

But this is not necessarily the case with Israeli agents. Like services of the great powers, Israeli Intelligence recruits most of its espionage agents in Arab countries from among citizens in good standing of those countries. These are Bad by Arab standards, and Good by Israeli standards. It also has made extensive use of agents who are Israeli citizens, but who have what it takes to build new identities, supported by proper documentation, and to introduce themselves into the mainstreams of Arab society. To these, obviously, the Rule does not apply—or, it would be more accurate to say, they are "exceptions which prove the Rule." To anyone who tries to be objective as he views world events, the Rule is a reminder to avoid postures of pious indignation when the other side does to us precisely what we would do to it.

By studying the cases of Israeli agents who are Israeli citizens, and who therefore owe no loyalty to the countries they spy upon, we may get away from the grosser aspects of betrayal altogether, and concern ourselves with its finer points. Is it true, as the CIA's Kilbourne Johnston used to say, that "to be a good agent either for our side or the other a man has to be a mean, treacherous s.o.b."? To get at the answer it is helpful to have a look at those spies, a small minority in the world of espionage and counterespionage, to whom the question of national loyalty does not apply.

count of spying in Egypt, "The Champagne Spy," has just been published. Gur-Arieh—or Lotz—was born in Germany of a Gentile father and Jewish mother, but he emigrated to Palestine as a child and grew up within the Jewish community. By the time he was employed by Israeli Intelligence, shortly after the Anglo-French-Israeli campaign against Egypt in 1956, he was as Israeli as any Egyptian is Egyptian. Except for his language skills (Hebrew, Arabic, English and German) and Teutonic appearance, sending him to spy on Egypt was the equivalent of the CIA sending an untraveled American Army officer to penetrate the Kremlin.

But he did it. And "The Champagne Spy," written with that kind of ingenuous frankness found only in persons so amoral as to be oblivious of how others judge them, tells us what sort of person he had to be to do it. It convinces us that no other sort of person could have done it, and that, therefore, his attitudes must be entirely typical of the old-time non-treasonous spies of history whom we have regarded as heroes. "The Champagne Spy" is compulsively readable in any case, if only because it is an interesting story simply told; but with these special insights it becomes a case history classic.

I am reminded of a key test question in the final oral examination for admission to the CIA's predecessor organization, the Office of Strategic Services. It was, "Do you want to fight the Nazis because you hate them?" If you gave the proper answer, "No, I want to fight them because they're on the other side," the examiner clapped you on the back and said, "Correct! Welcome aboard." A candidate who gave the right answer, and who subsequently rose to be one of the most effective officers in OSS and is now a senior official of CIA, asked, "What would your reaction be if I admitted that I would have answered the opposite had I figured that it was the one you wanted?" "0081406440" was the reply. When I first heard this story I didn't get the point. I do now.

CASE FILE (DESCRIPTION)

INSTRUCTIONS

Approved For Release 2001/06/09 : CHARTER 004-001229R0010001100040

10

Place card upright

Place card right in place of charged out folder.
001000110004-0
Place card horizontally in returned file folder.

CASE FILE CHARGE-OUT CARD